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1963-64

FIFTY-FIFTH REPORT

(THIRD LOK SABHA)

PLANNING COMMISSION

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FIFTY-FIFTH REPORT

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Rural Works Programme

LOK SABHA SECRETARIAT
NEW DELHI

April, 1964/Chaitra, 1886 Saka

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CORRIGENDA

Fifty-fifth Report of the Estimates Committee on the Planning Commission — Rural Works Programme.

Contents page, Appendix IV, line 2, *for* 'Govemment' *read* 'Governments'.

Contents page, Appendix V, line 2, *after* 'February 1963' *add* 'from'.

Page 1, line 8, *for* 'especial' *read* 'special'.

Page 6, Para 8, line 5, *for* 'for' *read* 'For'.

Page 8, Para 10, line 24, *for* 'indentical' *read* 'identical'.

Page 15, Table Col. 2, *for* '591(85)' *read* '581(85)'.

Page 15, Table Col. 3, *for* '274' *read* '275'.

Page 16, Table Col. 3, *for* '282' *read* '283'.

Page 16, Footnote below the Table, *insert* 'of' *between* 'number' *and* 'blocks'.

Page 16, line 3 below the Table, *for* '316' *read* '315'.

Page 18, lines 27-28, *insert* 'suggested in Para 7. The Working Group may co-opt for' *between* 'Working Group' *and* 'this purpose'.

Page 20, line 2, *for* 'way' *read* 'may'.

P.T.O.

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Page 24, line 9, *insert* ',' *after* 'population'.

Page 25, line 12 below the Table, *for* '51', *read* '50'.

Page 26, line 9, *for* 'the asphalting' *read* 'and asphalting'.

Page 32, Para 40, line 2, *for* 'such' *read* 'much'.

Page 33, Para 41, line 7, *insert* 'Karya' *between* 'Lok' *and* 'Kshetras'.

Page 47, *put* '*' (asterisk) *against* the footnote.

Page 53, line 9, *for* 'seminars' *read* 'seminar'.

Page 56, Col. 3(a) of the list, *for* '(%cfh.)' *read* '(%cft)'.

Page 58, Serial No. 3, line 6, *delete* ',' *between* 'Gram' *and* 'Ekai'.

Page 60, last line, *for* 'ceiling limits' *read* 'ceilings'.

Page 61, Serial No. 14, line 13, *for* 'co-existance', *read* 'co-existence'.

Page 62, Serial No. 17, line 3, *for* 'set' *read* 'set-up'.

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Shri Avtar Singh Rikhy—*Deputy Secretary.*

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*Elected w. e. f. 16th August, 1963 *vice* Dr. K. L. Rao ceased to be a member of the Committee on his appointment as a Minister.

INTRODUCTION

I, the Chairman, Estimates Committee having been authorised by the Committee to submit the report on their behalf, present this Fifty-Fifth Report on Planning Commission—Rural Works Programe.

2. The Committee took evidence of the representatives of the Planning Commission on the 10th and 11th March, 1964. The Committee considered it desirable to examine the representatives of the Ministry of Community Development and Cooperation also as the execution of works under Rural Works Programme is mostly undertaken through Block organisation. The Committee wish to express their thanks to the Secretary, Planning Commission, Secretary, Ministry of Community Development and Cooperation and other officers of Planning Commission and the Ministry for placing before them the material and information they wanted in connection with the examination of the estimates.

3. They also wish to extend their thanks to the representatives of the Bharat Sevak Samaj, New Delhi and Association of Voluntary Agencies for Rural Development, New Delhi for giving evidence and making valuable suggestions to the Committee.

4. The Report was considered and adopted by the Committee on the 10th April, 1964.

5. A statement showing the analysis of recommendations contained in the Report is also appended to the Report (Appendix VIII).

NEW DELHI;
April, 11, 1964.
Chaitra 21, 1886 (*Saka*).

ARUN CHANDRA GUHA,
Chairman,
Estimates Committee.

I

OBJECTIVES OF THE RURAL WORKS PROGRAMME

Generation of Employment Opportunities.

India is as rich in manpower resources as in natural resources. The Plans have, therefore, been equally concerned with the objective of finding productive employment for millions of hands which are added to the labour force every year as with the exploitation of natural resources to increase the total wealth of the country. The problem of unemployment has assumed especial urgency in the Third Five Year Plan. It was estimated that apart from the back-log of unemployment at the end of the Second Plan reckoned at 9 millions, the increase in labour force during the Third Plan would be 17 millions. But employment opportunities to be generated by the planned programme would be able to provide for only 14 millions. Thus leaving an estimated back-log of 12 million unemployed at the end of the Third Plan. Besides, according to an authoritative estimate, there are 15 to 18 million people who are underemployed.

It was in this context that Plan authorities conceived of Rural Works Programme and rural industries projects to generate additional employment opportunities to absorb the large increase in labour force. To quote the Third Five Year Plan report:

> "A fairly large programme of rural industrialisation should be undertaken with special emphasis on programme of rural electrification, development of rural industrial estates, promotion of village industries and effective redeployment of manpower. Even though in the first instance, the introduction of new production techniques may result in a decrease in employment, it is expected that there will be significant long term benefits in revitalising the rural economy. In addition to other measures for increasing employment through small industries, it is proposed to organise a rural works programme, which will provide work for an average of say, 100 days in the year for about 2·5 million persons and, if possible, more. These programmes, and specially the proposal for rural works, will assist the general mass of the population and will also provide increased opportunities for the educated unemployed".

Significance of Rural Works Programme.

2. The proposal to undertake a comprehensive programme of rural works during the Third Plan referred to above is stated to be significant not merely for creating the additional employment opportunities which are required, but even more as an important means for harnessing the large manpower resources available in rural areas for the rapid economic development of the country. Rural Works Programme envisages that "in the blocks selected for the programme additional schemes of labour intensive nature meant to assist agricultural production and create community assets should be taken up for supplementing similar schemes already taken up as part of State and local plans." It is also provided that "since unemployment and underemployment are specially acute during the slack agricultural seasons, to the extent possible, works programmes should be planned for execution during these periods."

Targets in the Third Plan.

3. It is envisaged in the Third Five Year Plan that employment through the Works Programme should be found for about 1,00,000 persons in the first year, about 4,00,000 to 5,00,000 persons in the second year, about a million in the third year, rising to about 2·5 million in the last year of the Plan. It has been stated in the Third Five Year Plan, "Limited financial provision for the early phases of the programme has been made in the Third Plan. It is reckoned that the programme as a whole might entail a total outlay of the order of Rs. 150 crores over the Plan period."

Financial Targets achieved.

4. *The Committee are surprised to learn that as against the Plan provision of Rs.* 150 *crores over the Third Five Year Plan period for Rural Works Programme, a sum of Rs.* 6·5 *crores was only provided in the Central Budget for the first three years of the Plan; Rs.* 50 *lakhs were provided for* 1961-62; *Rs.* 1 *crore for* 1962-63 *and Rs.* 5 *crores for* 1963-64. The Secretary of the Planning Commission admitted that Rural Works Programme was not included in the financial limit fixed for the Third Plan at Rs. 7500 crores. He explained that the programme limit of the Third Plan was close to Rs. 8300 crores and the impression was that depending upon the progress of Rural Works Programme, it would be possible to make the allotment of funds by adjustment. Out of the provision of Rs. 6·5 crores made for the first three years of the Plan, only Rs. 1·82 crores were spent by the 30th June, 1963. It was expected that the expenditure would reach Rs. 5·5 crores by the end of 1963-64 as 597 new blocks have been selected for the programme during the current year and that large expenditure is expected to be incurred in the agricultural slack season from December, 1963 to March, 1964.

5. The Committee find that as against the Third Plan target of finding employment for about 100,000 persons for 100 days in the first year, about 400,000 to 500,000 persons in the second year, about a million in the third year and rising to about 2·5 million in the last year of the Plan, the total employment generated under the Rural Works Programme since its inception upto 30th June, 1963 has been 100,29,073 man-days (about 1 lakh persons)* only. (A statement showing the number of man-days of employment generated on an average per block in the I, II and III series during 1960-61, 1961-62 and 1962-63 is enclosed as Appendix I.).

Target of employment generation and achievement.

The Committee observe that the number of men benefited by a project under Rural Works Programme is not sufficiently large to make an impact on rural economy. In their Report (1963) the Programme Evaluation Organisation have also stated as under:—

> "According to the original plan a rural manpower project was intended to provide 100 man-days of employment in a year. Taking that as a normal period of employment per year, the number of men benefited by a project in a year can be estimated at 345 roughly. This is too small a number to make an impact."

During evidence the representative of Planning Commission stated that "it is only after the expenditure increased and the blocks gathered momentum more employment will be created. The budget provision during the first two years was only of the order of Rs. 1·5 crores. With the increase in the provision during the current financial year to Rs. 5 crores, the position will improve."

The Committee are constrained to observe that an important scheme like Rural Works Programme has lagged far behind the target, though it has been recognised as significant not merely for creating the additional employment opportunities, but even more as an important means for harnessing the large manpower resources available in rural areas for the rapid economic development of the country. The Committee would also suggest that for the fourth Five Year Plan, the financial provision for the Rural Works Programme should be included in the financial limits of the Plan so that there is no uncertainty about the funds as has been the case during the current Plan period.

---

*A rural manpower project is intended to provide 100 man-days of employment in a year.

Block Plan of Development.

6. The Committee find that the Third Five Year Plan Report conceived of Rural Works Programme as one of the essential ingredients in the framing of the Block Plan. The Third Five Year Plan Report *inter alia* states:

> "For local works as well as for the larger schemes it is essential that there should be clearly worked out programmes in each development block. The block plan will include all the works to be undertaken by different agencies through the block organisation such as programmes included in the schematic budget under the community development scheme, and those falling within the general plans of the States under agriculture, animal husbandry and cooperation, programmes for large and medium irrigation projects, road development etc. In turn, the block plan must be split into village plans and, in this form it should be made widely known in the area".

The note prepared by the Planning Commission for the Annual Conference on Community Development (1963) *inter alia* states:

> "The aspect of preparing integrated block plans, in which all programmes undertaken under Community Development, other departments and under the rural works programme are dovetailed, has not so far received the measure of attention necessary."

The representative of the Planning Commission stated during evidence that:

> "The pattern of assistance is the same for the block programmes and for the rural works programmes. Then, at the policy level we have the Steering Committee with the Secretary of the Ministry of Community Projects and Co-operation. It is this Steering Committee which takes policy decision with regard to the rural works programme. If the idea of dovetailing is that we should have a complete plan for the blocks in which the annual break-up of the rural works programme is shown, there the main difficulty is that the allotments for the rural works programme are made from year to year and therefore it is not possible to work out a programme in advance and to fit these programmes with the block programmes".

The Committee consider that supplementary rural works contemplated under Rural Works Programme do not by themselves provide a complete or lasting solution

of the problem of rural unemployment and under-employment, and utilisation of the available manpower resources. They agree with the Rural Industries Planning Committee (1962) that:

> "For this, it is essential to secure the fullest possible development of agriculture as well as the development of industries and of economic and social overheads undertaken as part of the five-year and long-term plans of development for the national economy as a whole. In the field of industries to be developed in rural areas, there is need to evolve effective techniques, methods and programmes which could be extended progressively to other areas which have a large incidence of unemployment and under-employment."

It is stated that the scheme for the intensive development of village and small industries for expanding non-agricultural employment in the rural areas is to be implemented as part of a wider and well coordinated plan of area or regional development providing for all round development of agriculture, irrigation, communications, industries, social services etc. The area for the planning of rural industries projects covers 4 to 5 community development blocks.

Coordination between Rural Works Programme and Rural Industries Projects.

7. The Committee are given to understand that it has been suggested to the State Governments that the Rural Works Programme should be progressively extended to the blocks selected for rural industries projects. 49 out of 224 blocks included in the 45 rural industries projects are in the rural works blocks of the first three series. No specific procedure has, however, been laid down regarding the linking of the Rural Works Programme with the rural industries projects since the position is expected to vary in different areas according to the local situation. It is stated that only on the basis of experience gained in the initial stages, it may be possible to indicate the directions in which closer coordination between the two programmes is to be ensured.

The Committee feel that the undertaking of Rural Works Programme in an ad hoc *manner from year to year has limited its capacity to generate remunerative assets. The Programme has suffered not a little due to uncertainties of scope and criteria for grants. The net result is that the Rural Works Programme has failed to make any significant impact on rural economy.*

The Committee find that the question of having "integrated block plans in which all programmes undertaken under Community Development, other departments and under the Rural Works Programme are devetailed" has not so far received "the measure of attention necessary". It

has also been stated that in view of the year to year allotment of funds to the rural works programme, it has not been possible to "work out a programme in advance and to fit these programmes with the block programmes".

The Committee cannot feel happy with such a state of affairs and would suggest the appointment of a Working Group to go into the question of removing the difficulties for co-ordinating all these development programmes and for better and more effective implementation of the Rural Works Programme.

Linking of Rural Works Programme with other Programmes.

8. The Committee gather that there are several other schemes more or less similar, as for example, Local Development Scheme, Rural Industries Scheme, Public Co-operation Scheme, Village Volunteer Force, Labour Bank, Gram Ekai etc. for some of these schemes, fairly big amounts had been provided in the budget during the Third Plan period *e.g.* for Local Development Scheme, Rs. 13 crores had been provided for the first 3 years and for Public Co-operation Scheme, Rs. 2·36 crores had been provided for the first 3 years. The Committee also note that the machineries for implementing the schemes are not the same; different schemes are being implemented through different agents and agencies.

The Committee feel that though there may be some difference in the pattern of these schemes mentioned above, there is the risk of overlapping and in certain cases even of counteracting. The Committee would, therefore, suggest that the Working Group recommended in paragraph 7 may go into the question of proper co-ordination and linking of all these different schemes so that rural areas may get the overall benefit of all these schemes and may not suffer from any conflicting forces.

Supervision of Rural Works Programme at Central level.

9. Asked about the reasons for keeping the Rural Works Programme in the charge of Planning Commission, the representative of the Planning Commission has explained that as it was an entirely new and experimental employment oriented scheme, it was kept in the charge of the Commission to see what changes in the planning techniques had to be made. Only when the scheme had been put on a firm basis after gaining experience, a decision could be taken about the Ministry which should take charge of it.

The Committee are informed that the Planning Commission lays down the policy regarding the various aspects of the programme with the advice of a Steering Committee which has been formed under the chairmanship of Secretary, Planning Commission and with Secretary, Department of Agriculture, (Ministry of Food and Agriculture), Secretary and Additional Secretary, Ministry of

Community Development and Cooperation, Director General of Employment and Training and some senior officers of the Planning Commission as members. Regular field supervision is primarily the responsibility of the State Government officials who are in charge of the implementation programme. The actual execution is undertaken mostly by the block organisation.

The Committee learn that the scheme of Community Development was also in its initial stages looked after by an administration set up under the overall supervision of the Planning Commission which acted as the Central Committee. While the Central Committee was to lay down the broad policies there was a separate organisation within the 'Planning Commission', known as the Community Projects Administration with an Administrator, a number of senior officers and a team of technical experts.

The Committee also learn that as was done in the case of Community Development Programme in the initial stages when it was under the Planning Commission funds are provided in the budget of the Ministry of Finance for the Rural Works Programme. But unlike the Community Development Programme which forms part of the State Plan, the Rural Works Programme is in the central sector and is over and above the State Plan ceilings.

The Committee have been informed by the representative of the Ministry of Community Development and Cooperation that since the Rural Works Programme is to be implemented through the block agency and through the Panchayati Raj Institutions and the Programme is to be implemented effectively, these institutions must take a view not merely in regard to the Rural Works Programme but also in regard to the other development programmes which have employment aspects. A proposal on an informal basis had, therefore, been made by that Ministry to the Planning Commission that the Ministry of Community Development and Cooperation would be glad to undertake Rural Works Programme at the central level.

The Committee are not happy that the Planning Commission which is primarily concerned with the drawing up of plans should be saddled with the responsibility of looking after execution of schemes in the field like Rural Works Programme, Local Development Schemes etc. and would suggest that the feasibility of entrusting the Rural Works Programme to some administrative Ministry may be examined early.

II
EXECUTION OF RURAL WORKS PROGRAMME

A. Nature of Schemes

Schemes envisaged.

10. The Programme envisaged for rural areas comprises five categories of works:

I. Works projects included in the Plans of States and local bodies which involve the use of unskilled and semi-skilled labour;

II. Works undertaken by the community or by the beneficiaries in accordance with the obligations laid down by law;

III. Development works towards which local people contribute labour while some measure of assistance is given by Government;

IV. Schemes to enable village communities to build up remunerative assets; and

V. Supplementary works programmes to be organised in areas in which there is high incidence of unemployment.

Schemes under categories II, III and IV mentioned above are intended to be undertaken as a vital feature in the normal plans of development in rural areas. They are intended to ensure fuller utilisation of the manpower, and will also provide some though necessarily limited, wage-employment. Wage-employment on a large scale has to be found in the main through works falling within categories I and V. Works in these two categories are in fact indentical in nature, the main consideration being that category V will include supplementary schemes over and above those in category I. Thus, for the additional programme of rural works envisaged in the Third Plan, two main groups of schemes involving considerable use of unskilled and semi-skilled labour will have to be undertaken namely (a) local works at the block and village level, and (b) larger works requiring technical supervision and planning by departments.

Schemes Undertaken.

11. The works taken up under the Rural Works Programme include mainly minor irrigation, soil conservation, afforestation, drainage, land reclamation, flood protection bunds, raising of villages in flood affected areas and improvement of communications. The programme is implemented with special reference to the agricultural slack

seasons as part of an integrated plan with a view to tackling the problem of unemployment in an intensive manner at the local level.

Restricting Rural Works Programme to Productive Schemes.

12. Schemes relating to agricultural production like minor irrigation, soil conservation, flood protection etc. are to be given first priority under the Rural Works Programme. In view of the importance of improved rural communications for facilitating the marketing of agricultural produce and the transport of the requisites of agricultural production like fertilisers it has been provided that construction and improvement of roads connecting a number of villages with market centres can be included in the programme. Social welfare works like school buildings, drinking water wells etc. were allowed to be taken up in the blocks of the First Series in the initial stages. At the time of the introduction of the Second Series it was made clear that these schemes should not form part of the Rural Works Programme. The schemes taken up originally in the blocks of the First Series were, however, to be completed.

It is stated that out of the total expenditure of Rs. 182.14 lakhs incurred on the Rural Works Programme upto the end of June, 1963, the expenditure on agricultural production schemes accounted for Rs. 124.37 lakhs representing 68.3 per cent of the total expenditure. The expenditure on improvement of communications amounted to Rs. 49.00 lakhs representing 26.9 per cent of the total expenditure and that on social welfare works to Rs. 8.77 lakhs representing 4.8 per cent of the total expenditure.

The Committee are glad to note that no money has been spent on social welfare works in the Third Series. The Committee agree that the Rural Works Programme should primarily be devoted to increasing agricultural production, development of village industries, construction of link roads and creation of remunerative assets, while social welfare works should be included more appropriately in the community development and other State development schemes.

B. Selection of Areas and Projects

Criteria for Selection.

13. The areas selected for the implementation of the Rural Works Programme should be those which are markedly backward in economic development with high incidence of unemployment and under-employment and with scope for undertaking short-term agricultural programmes likely to add substantially to increase in production. The identification of the markedly backward areas having high incidence of unemployment and under-employment is, therefore, crucial for the success of the programme. It is stated that the Planning Commission have emphasised the need for marking out areas or regions considered specially

backward for the purpose of devising specific measures for meeting their needs as an important step towards balanced regional development. Certain indicators which may be found useful in demarcating such areas have also been suggested. Of these, the following are of special significance in selecting areas for the Rural Works Programme:

1. Density of population per sq. mile.
2. Proportion of people living in rural areas.
3. Employment in organised industries.
4. Value of output per acre.
5. Wage rate of agricultural labour.
6. *Per capita* cultivable area, and percentage of double cropped and irrigated areas to total areas sown.

Besides, these indicators certain considerations such as the proportion of agricultural labour to total rural population, migration pattern and the capacity of the administrative and technical organisation to execute supplementary works in addition to those already forming part of the integrated block plan need to be kept in view. In areas where larger projects involving the use of unskilled labour are either in execution or are planned to be taken up the need for supplementary works programmes should be considered with reference to the availability of labour for such projects and their impact on the local employment situation. A careful analysis of the existing data contained in the Census report, block survey reports and reports relating to land utilisation, agricultural production, etc. has to be supplemented with a measure of consultation with senior officers having intimate knowledge of the area including the District Collectors and Divisional Commissioners in finally selecting areas.

Criteria of Selction not followed in selecting areas under First Series.

14. It has been represented to the Committee by a well-known association of voluntary agencies for rural development that:

> "the programme is being rushed through without proper survey and planning. The total and complete fiasco of the first series of these pilot projects has not been sufficiently taken into account while implementing subsequent projects."

Naujheel Pilot Project (U.P.).

15. The Committee find that in the First Series of Rural Works Programme, the U.P. Government had included Naujheel Pilot Project (Mathura) which aimed at the construction of flood protection bunds in the low lying lands on the banks of Jamuna at an estimated cost of Rs. 6,68,000. The Report of Programme Evaluation Organisation on Pilot Projects (Series I) (1962) contains the following observations:

> "....despite the best efforts of the Block Develop- Officer, labour was not available to the

requisite extent. The average number of workers who came to work was about 10 per day, ranging from 2 to 23. These were not earnest seekers of employment and came to work to oblige their village leaders who were persuaded by the Block Development Officer to send some labour force.... There is no acute unemployment in the area and the usual wage labour keeps itself busy in the traditional avenues of employment."

It is understood that the estimated cost of the project has since been revised by the Uttar Pradesh Government to Rs. 9·84 lakhs on account of the increase in the rates for earth work.

The Planning Commission have advanced the following explanation for inclusion of Naujheel Project in the First Series:

"In considering the proposals made by States for the blocks selected under the First Series the Planning Commission took the view that in the first instance the States should be enabled to implement the schemes which they had drawn up and that suggestions should be offered on the basis of the study of the schemes in their actual working rather than on *ad hoc* or *prima facie* consideration. The intention was to test out experience gained in the actual execution of the schemes. Hence when Government of Uttar Pradesh wanted to take up under the projects allotted to them only two flood protection embankments namely Naujheel and Bela Bundh on the basis of payment of reduced rate of wages and an element of public contribution with a view to facilitate capital formation in the real sense the Planning Commission gave its approval."

The representative of the Planning Commission has admitted during the course of evidence before the Committee that—

"We have been repeatedly saying after the first Evaluation that this project should not have been taken up. The experience shows that this sort of project should form part of the normal departmental work and not come under the Rural Works Programme."

The Committee are further informed that the comments of Programme Evaluation Organisation on Naujheel Project were discussed by the Planning Commission with the officers of the State Government and the project had

been visited a number of times by senior officers of the Planning Commission. The State Government are understood to have now taken steps to complete the work by December, 1965.

The Committee feel that it was entirely inappropriate to include the Naujheel Pilot Project in the Rural Works Programme at a high cost exceeding Rs. 9 lakhs, when it did not fulfil the primary condition of relieving the pressure of unemployment or under-employment in the area.

The Committee have no doubt that learning from experience the Planning Commission would not allow such works to be included in the Rural Works Programme.

Observations of Programme Evaluation Organization.

16. The Report of Programme Evaluation Organisation on Pilot Projects (Series I) (1962) also points out that:

"Of the 29 project blocks observed for the purpose of case histories, 9 were in areas which could not be said to be suffering from a high incidence of unemployment or under-employment. In fact, in a few blocks like Karmala and Parasala, the situation was somewhat the opposite; and shortage of labour was experienced in the course of implementation of the works."

"It appears that most of the State Governments did not have sufficient time to decide on the selection of areas for the pilot projects on the basis of all the criteria emphasised by the Planning Commission.

* * * *

The employment needs of the area or the availability of the labour force for such works could not be assessed, except in one block, Ganavaram where the labour supply likely to be available in the slack seasons was estimated at the time of formulation of the project programme."

Employment Surveys to identify areas with high incidence of unemployment.

17. The Committee desired to know whether any employment surveys were being carried out to identify areas with high incidence of unemployment or under-employment before selecting the blocks for implementation of the Rural Works Programme. The Planning Commission have stated in reply:

"While allotting blocks for the second series of the Rural Works Programme the Planning Commission emphasised that careful and continuous study of the economic conditions and the employment needs of the block selected was essential for the successful implementation of the programme. At the Regional Conferences it was suggested that for conducting employment

surveys, the services of Economic Departments of Colleges, Planning Forums, etc. should be utilised besides the official agencies, like the Statistical Departments, Employment, Information and Assistant Bureaux, Block Organisations etc. In pursuance of this suggestion surveys have been undertaken in a few blocks in the different States. These surveys varied a great deal in their nature and scope though the primary object was to ascertain the number of persons available for work in a block during slack agricultural seasons. A few copies of the survey reports made available to the Planning Commission indicate that with the limited data collected no firm conclusions can be drawn with regard to the above object."

The Committee are constrained to observe that the important question of employment surveys has not received the attention of Government that it deserved. They would suggest that an early decision should be taken regarding the scope of employment surveys and the agency which should be entrusted to carry it out in the field.

The Committee would, in fact, suggest that the employment surveys should be carried out not only before selecting the areas for the implementation of Rural Works Programme, but at regular intervals in order to have a clearer picture regarding the immediate and ultimate impact of the works programme on the local employment situation.

C. Progress of Works

18. The Committee are given to understand that the proposals for the First Series of 32 pilot projects were called for in October 1960. The selection of blocks took some time and by the end of January, 1961, 32 blocks were selected. It is stated that in view of the inevitable time lag involved in putting the schemes on the ground on account of the technical work involved by way of survey and preparation of plans and estimates, it was not expected that much expenditure would be incurred before 31st March, 1961 and only Rs. 25,000 per block were allotted. The total expenditure in about 20 blocks where work could be started amounted to Rs. 3.80 lakhs. First Series.

19. A number of steps are stated to have been taken in 1961-62 to "create a better understanding of the objective of the Programme, lay down criteria for selection of areas and schemes and remove administrative and technical bottlenecks. Among these the review of the Programme in the annual conference of Community Development held at Hyderabad in July, 1961, visit of a special officer from Planning Commission to a number of blocks of the First Series and the three regional conferences held at Delhi, Second Series.

Calcutta and Hyderabad are mentioned. A number of practical problems relating to public contribution, categories of works that need emphasis, administrative arrangements required etc. were evolved in the light of experience. It was also decided that a small organisation should be set up at the State Headquarters to be in charge of the Programme and the technical staff at the block level should be strengthened to the deserved extent. The stage for the vigorous implementation of the Programme is, therefore, stated to have been well set only by February, 1962. It was after the regional conferences that 196 blocks were allotted to States during March, 1962 under the Second Series. The expenditure by the end of 1961-62 is stated to be about Rs. 38 lakhs and employment opportunities generated in terms of man-days about 23 lakhs."

The Programme ought to have received a fillip from 1962. But it is stated that the third general elections and difficulty in releasing funds in time retarted progress to some extent. With the increased emphasis on soil conservation under the Rural Works Programme, the limited availability of technical personnel set a limit to the timely achievement of physical targets. In a number of blocks of the Second Series, the earlier proposals had to be revised to conform to the priorities and objectives set out clearly in the regional conferences. Due to these factors work is stated to have been started only in 115 blocks out of 196 allotted for the Second Series upto the end of December, 1962.

The Committee thus learn that upto the end of 1962, the Rural Works Programme which was initiated towards the close of 1960 to provide employment to the agricultural labourers during the slack seasons specially in areas with high incidence of unemployment and under-employment covered 228 blocks—32 allotted under the First Series and 196 allotted as part of the Second Series. A statement indicating the time taken in putting schemes on ground in different States after proposals were agreed to by the Planning Commission and actual sanctions issued both under the First and Second Series is enclosed as Appendix II. It will be seen that in 20 blocks of the First Series, the time taken to commence work after the projects were sanctioned varied from 1 to 3 months—in 5 blocks 3 to 6 months and in another 5 blocks 9 to 12 months. In view of the experience gained in the course of implementing the First Series of Projects and the suggestions and recommendations made at the regional conferences, the State Government were expected to do better with the Second Series Projects. It is, however, revealed from the statement (Appendix II) that while out of 196 projects work could not commence in as many as 85 blocks upto the end of September, 1962 the time taken to commence work in 32 projects varied from 6 to 9 months, in 47 projects from 3 to 6 months and in another 32 projects 1 to 3 months.

20. The Planning Commission intimated the allocation of 502 blocks for the Third Series in November, 1962 to the States and the Union Territories of Himachal Pradesh and Tripura. Financial allocation was also indicated by the end of January, 1963, on a tentative basis. Further 96 additional blocks were allotted to Andhra Pradesh, Bihar, Madhya Pradesh, Orissa, Punjab and Uttar Pradesh as a result of requests received in this regard from these State Governments. A statement showing the number of blocks where work had commenced upto September, 1963, the time taken to commence work from the date of finalisation and approval of schemes is given below: Third Series.

State	No. of blocks allotted	No. of blocks where work commenced by September, 1963	No. of blocks where work started		
			Between 1—3 months	Between 3—6 months	Between 6—9 months
1	2	3	4	5	6
Andhra Pradesh	72(20)	30	21	9	6
Assam . .	20	16	8	8	..
Bihar . .	67(17)	30	6	24	..
Gujarat . .	20	Nil	..	..	..
J. & K. .	10	1	1	..	..
Kerala . .	15	Nil	..	..	..
Madhya Pradesh	50(10)	29	16	13	..
Madras . .	35	16	1	15	7
Maharashtra .	50	42	27	15	8
Mysore . .	25	14	10	4	5
Orissa . .	31(11)	10	1	5	4
Punjab . .	19(4)	16	3	12	3
Rajasthan .	25	2	2	..	4
Uttar Pradesh .	112(23)	69	64	5	..
West Bengal .	30	Nil			
	591(85)	274	160	110	37

1	2	3	4	5	6
Himachal Pradesh	15	8	4	4	..
Tripura . .	2	Nil	..	..	..
	17	8	4	4	..
	598(85)	282	164	114	37

(Figures in brackets under column (2) indicate the number blocks allotted after March, 1963).

The Committee gather that in spite of allocation of 502 blocks for the Third Series in November, 1962 the works could not commence in 316 blocks (including 85 blocks allotted after March, 1963) till September, 1963. Even after the schemes had been finalised, work was commenced only in 164 blocks within a period of 3 months of the sanction of Planning Commission. In 114 blocks the work was started between 3—6 months and in 37 blocks between 6—9 months. There were 283 blocks still left at the end of September, 1963 where either the proposals had not been finalised or work had not commenced. It is stated that most of the State Governments were busy with the reorientation of their plans necessitated by the emergency and could finalise their proposals relating to the Rural Works Programme only after March, 1963. At the time of the Annual Plan discussion held during November-December, 1963, the position was reviewed and the representatives of most of the State Governments were confident that during the slack season beginning from January, 1964 work would commence in all the blocks.

Reasons for Delay in Commencement of work.

21. The main reasons for delay in the commencement of work are understood to be the following:

(i) Delay in preparation of plans and estimates and securing administrative and technical clearance;

(ii) Difficulty in getting free surrender of land in some States;

(iii) Delay in release of funds to the block authority;

(iv) Delay in putting technical and supervisory staff, specially sanctioned for the programme in position;

(v) Pre-occupation of the block staff with the implementation of the schematic budget programme;

(vi) Delay due to revision of proposals;

(vii) Difficulty in realising contribution from beneficiaries.

The Committee are constrained to observe that the position regarding commencement of works in the Third

Series has not appreciably improved as compared to the First two Series. The Committee are unable to appreciate why work in 283 blocks of the Third Series could not be commenced even by the end of September, 1963 when the allocation of blocks was intimated in most cases to the State Governments about 10 months earlier (November, 1962).

The Committee would suggest that Government should evolve suitable measures in consultation with the State Governments to overcome these obstacles. They would particularly stress the need for taking concentrated measures to streamline the procedure for undertaking programme under the Rural Works in the States of Gujarat, Kerala, Jammu & Kashmir, where work hardly in any Block was commenced in the Third Series till September, 1963.

D. Pattern of Financial Assistance

Pattern Revised from 1st April, 1962.

22. The Central Government made funds available to the States for the Rural Works Programme till 31st March, 1962 in the form of 100 per cent grant. From 1st April, 1962, the programme is financed by the Centre in the form of 50 per cent grant and 50 per cent loan. The loans are repayable by the State Governments over a period of 15 years and the rate of interest is 5 per cent. During the first five years only interest is to be paid and after that the principal has to be paid in ten equated annual instalments along with the interest.

It is stated that the pattern of 100 per cent grant in aid was provided only for the initial period when the Rural Works Programme was being tried out in a limited number of blocks as pilot projects. With the decision in 1961 to extend the programme to a larger number of blocks it was considered that the State Governments should also share the expenditure especially in view of the emphasis laid under the Programme for creation of productive assets. It was decided in consultation with the Ministry of Finance that from 1st April, 1962 the Rural Works Programme would be financed in the form of 50 per cent grant and 50 per cent loan.

The Committee understand that along with the revision of the pattern of assistance it was also intimated in March, 1962 that the funds made available under the Rural Works Programme should not be utilised for giving loans directly to individual beneficiaries.

The Committee find that the Programme Evaluation Organisation in their final Report after the completion of the second round of evaluation have *inter alia* observed, "the change in the pattern of Government assistance to 50 per cent loan and 50 per cent grant also stood in the way of utilisation of funds by Panchayat Samitis."

It is understood that in Maharashtra, Rajasthan and Andhra Pradesh, the State Governments allocate funds to Panchayat Samitis who execute the Rural Works Programme in the form of 50 per cent loan and 50 per cent grant. The Panchayat Samitis have to make arrangements for the payment of interest and repayment of the principal in instalments.

It was stated by the representative of the Planning Commission during evidence before the Committee that difficulties have arisen in the working of this arrangement as "some of these works have an indeterminate value. The market road may be passing through several villages. What do they do? From where do they realise the contributions and on what basis? Then there are other works like soil conservation or minor irrigation, wells and so on and are these to be done for the benefit of individuals or of groups? The Panchayats legitimately feel that there is no authority for them to make realisations and, therefore, no reasons to take on the burden." ..... "In respect of the amount which is being made available by Government partly in loan, who takes the responsibility for it? We have come up against the situation as one of the major bottlenecks in the implementation of this programme."

The Committee appreciate the difficulties pointed out in the operation of the existing pattern of 50 per cent loan in the financial assistance scheme and would suggest that the whole matter may be examined by the Working Group this purpose, a few representatives of State Governments so that the practical difficulties which are being encountered can be gone into and a workable solution evolved.

The Committee also think that the condition of 50 per cent loan would make the schemes available only to the richer areas and not to the poorer areas where the problem of unemployment is likely to be more acute. The Committee feel that this scheme should not be treated as on par with other schemes in relation to financial assistance as this scheme is intended to provide employment in rural areas of acute unemployment.

Loans to Individual Beneficiaries.

23. The Committee are given to understand that there are two categories of loans for individual beneficiaries under the Rural Works Programme. The first category relates to loans given directly to individual beneficiaries for undertaking works relating to agricultural production like land reclamation, irrigation wells, etc. The other category relates to expenditure incurred by Panchayats, departmental agencies, etc. on works benefiting individuals and where the entire amount spent or a portion thereof is treated as loans given to beneficiaries to be recovered in instalments.

It is stated that while the First Series of blocks were allotted, no restriction had been placed regarding schemes involving grant of loans to beneficiaries. After the regional conferences held in January-February, 1962 it was decided that loans should not be sanctioned directly to individuals for wells, etc. On the other hand, if agricultural works benefiting individuals were to be taken up the approach should be to get the execution of these works organised through panchayats, labour co-operatives, etc. and recover the expenditure, after allowing the admissible subsidy, from the concerned beneficiaries in instalments.

It is further stated that schemes involving grant of direct loans to beneficiaries for wells, land reclamation, etc. had been taken up in some of the blocks of the First Series in Andhra Pradesh, Maharashtra, Kerala and Rajasthan. In the proposals formulated for the Second Series similar schemes had been suggested for some of the blocks in Andhra Pradesh, Maharashtra and Rajasthan. These State Governments were requested to revise the schemes in the light of the decision reached after the Regional Conferences referred to earlier. In some of the blocks of the Second Series in these States direct loans had to be given in view of the commitments entered into before the communication of the revised policy. As regards the blocks of the Third Series no proposals involving grant of loans directly to beneficiaries have been agreed to. It had, however, been reported to the Planning Commission that Government of Maharashtra had entered into commitments in respect of some of the schemes relating to land reclamation etc. for granting direct loans to individuals in anticipation of the approval of the Planning Commission to the proposals they had made for allowing such loans under suitable safeguards. The Planning Commission have informed the Maharashtra State Government that such commitments ought not to have been entered into since the policy in respect of individual loans has not been changed. Since it will create difficulties if the commitments already made are not honoured, Government of Maharashtra have been requested by Planning Commission to furnish details of these cases.

The Committee are informed that except for contour bunding programme which is undertaken by departments on individual holding, the other individual works have not been organised till December, 1963 on behalf of beneficiaries through panchayats, labour co-operatives etc. Government of Andhra Pradesh are hopeful of adopting this approach in the blocks selected for the Third Series while Government of Rajasthan and Government of Maharashtra are of the view that this procedure will not be feasible.

The Committee suggest that the Working group recommended to be set up in para 7 way also go into the question of terms and conditions for giving loans to individual beneficiaries under Rural Works Programme.

Delay in Release of Funds.

24. It has been represented to the Committee by a leading Association of Voluntary Agencies for Rural Development that "the money allotted to different blocks for executing their respective projects, in most cases, did not reach in time. In many cases it reached them one or two days before the close of the financial year."

The Committee find that the Programme Evaluation Organisation have also in their report commented that:

> "Delay in the receipt of sanction and or in the release of funds held up the initiation of work in many areas. In some cases funds were sanctioned or released after the slack period was over."

The representative of the Planning Commission has stated during evidence that delays in the receipt of sanction and/or in the release of funds occurred under the First Series blocks as the budget allocations were not being indicated in time in the States. To overcome this difficulty, the Central Government indicated on a tentative basis the allocation for 1963-64 in January, 1962 itself. This enabled the State Governments to make adequate budget provisions and it was claimed that in most of the States the budget allocations to the blocks were made available in time in 1963-64. Some of the State Governments have also adopted the policy of authorising the Panchayat Samitis who are in charge of the execution of the projects to initially incur expenditure out of their resources and to later get reimbursement from the State Government.

The Committee would like the Planning Commission to ensure that not only the funds are allotted to the State Governments in time but that they reach the executing agency without avoidable delay so that the implementation of the schemes does not suffer.

E. Expenditure ceiling on execution of Schemes

Expenditure ceiling for each block.

25. The Committee are given to understand that the Planning Commission had suggested to the State Governments that as a rough guide the expenditure ceiling for each block may be kept at Rs. 2 lakhs for the initial period of 12 to 15 months and Rs. 1 lakh each for the subsequent years. The experience gained in the blocks of the First and Second Series showed that it took time to build up the tempo of work and the expenditure was lower in the initial period than in the subsequent years. In most of the blocks for First Series the expenditure was only about

Rs. 1 lakh in the initial period. The State Governments were, therefore, informed in January, 1963 that there need not be any rigid blockwise ceiling regarding expenditure and they can release funds to the blocks according to requirements and administrative arrangements made for the implementation of the programme with reference to allotments indicated to them by the Planning Commission at the beginning of each year.

Limit of expenditure on individual schemes.

26. It has been suggested by the Planning Commission to the State Governments that normally the limit of expenditure on individual schemes may be kept within Rs. 50,000 per scheme. Exceptions are permitted in the case of contour bunding programme which has of necessity to cover the entire catchment or sub-catchment of rivers, rivulets or streams and for long roads for connecting market centres.

Actual block-wise allocations made.

27. A statement showing the amount allotted by the State Governments to blocks of the Third Series where work had commenced till 30th June, 1963 in States is reproduced in Appendix III. The Committee note therefrom that there are wide fluctuations in allotment of funds from Rs. 12,000 to Rs. 2 lakhs per block made by different States for the blocks of the Third Series. The Planning Commission have explained that:

> "The block-wise allotments made by the different States are not comparable since the financial arrangements vary. In some States the bloc-wise allocation for the entire year is made in one instalment. In others allocations are made from time to time according to progress of work. In Madras the Panchayat Samitis incur initially the expenditure from their own resources and get reimbursement later. The soil conservation programme in most of the States is done departmentally and funds are directly given to the concerned department. For instance in Madhya Pradesh an allocation of Rs. 25,000 was made to each block for 1963-64. and in addition a sum of Rs. 14.70 lakhs was placed at the disposal of Director of Agriculture for executing soil conservation schemes. Contour bunding and field bunding programmes constitute the major item of work in the blocks selected in Madhya Pradesh for the Third Series. In calculating the amount made available to the blocks the expenditure incurred under the rural works programme through departmental agencies should also be taken into account. This will be known after the annual expenditure statement is received. It may be mentioned that the information furnished in Appendix III referred only to the allocations made by State Governments

upto 30th June and that too in respect of blocks of Third Series where work had commenced till that time. This does not also include the amounts given to departments for expenditure in the blocks for schemes relating to soil conservation etc."

The Committee also desired to know the reasons as to why most of the blocks in Maharashtra have been allotted Rs. 2 lakhs each under the Third Series while allocations in other States have been varying from Rs. 12,000 to Rs. 1 lakh. The Planning Commission have explained:

"Government of Maharashtra allotted Rs. 2 lakhs uniformally for all the blocks of the Third Series on the basis of the ceiling originally suggested by the Planning Commission for the First and Second Series. The schemes selected under the Rural Works Programme are executed through the Block Organisation and hence no separate allocation has been made to any department. The allocation for the blocks has been made in one instalment. Special steps have also been taken to expedite progress by holding regional conferences to finalise schemes quickly and issuing financial sanctions in April itself."

"It may be mentioned that the initial allocation for the States is determined by the Planning Commission with reference to the number of blocks covered in each State by the Rural Works Programme. The State Governments are entitled to get their full allocation if they could utilise the same. The central assistance is released in the fourth quarter of the financial year on an *ad hoc* basis and final adjustments are made on receipt of information about actual expenditure of the fourth quarter in the ensuing year. Even for making *ad hoc* releases the performance during the first 3 quarters in different States are reviewed. If such a review indicates that in some States there is no possibility of allocations being utilised fully the savings are diverted to States where actual requirements are found to be more than the initial allocation."

The Committee cannot help concluding from the above that one of the principal reasons for variations in allocation is the capacity of the State Governments to utilise the allotted money for schemes in the blocks. The Committee would suggest that Planning Commission, on their part, should make it clear to all State Governments that it is their intention to allot funds subject to the normal limit of Rs. 50,000/- per scheme and Rs. 2,00,000/- per block so that all States can take equitable advantage of the ceilings laid down.

F. Expenditure incurred by various States

28. The Committee are given to understand that the following expenditure has been incurred till the 30th June 1963 by the various State Governments: Expenditure incurred State-wise.

	Expenditure upto 30th June, 1963	Percentage of Total Expenditure
	Rs.	
1. Andhra	889,187	4·9
2. Assam	2,293,111	12·6
3. Bihar	328,472	1·8
4. Gujarat	1,351,913	7·4
5. Jammu and Kashmir	107,718	0·6
6. Kerala	351,224	1·9
7. Madhya Pradesh	1,272,665	7·0
8. Madras	881,655	4·8
9. Maharashtra	2,803,286	15·4
10. Mysore	961,116	5·3
11. Orissa	1,114,459	6·1
12. Punjab	975,880	5·4
13. Rajasthan	852,602	4·7
14. Uttar Pradesh	2,369,772	13·0
15. West Bengal	434,132	2·4
16. Himachal Pradesh	1,114,697	6·1
17. Tripura	113,078	0·6
TOTAL	182,14,967	100

The Committee gather from the table above that there is great disparity in expenditure incurred by various States under Rural Works Programme. While the expenditure incurred in the States of Bihar, Kerala and West Bengal amounted to only 1.8, 1.9 and 2.4 per cent of the total expenditure, the States of Assam, Maharashtra and Uttar Pradesh have run up an expenditure of 12.6, 15.4 and 13.0 per cent of the total expenditure.

The Planning Commission have explained that the variations in expenditure incurred by States under the Rural Works Programme are due to the following reasons:

> "The expenditure incurred in a State depends on the total number of blocks allotted and the capacity of the administrative executing agencies. Statewise allocation of blocks is made with reference to various criteria like percentage of rural population agricultural labourers etc. Since the number of blocks allotted and capacity of executing agencies are bound to differ from State to State, variations in expenditure follow as a consequence."

The Committee would stress that the expenditure should be regulated in such a manner that areas having high incidence of unemployment and which are backward derive maximum benefit under the Rural Works Programme.

G. Expenditure incurred and Employment generated.

State-wise performance.

29. The following table indicates the expenditure incurred and employment generated by the various States upto the 30th June, 1963 under the Rural Works Programme:—

State	Expenditure incurred	Employment Generated (Man-days)	Percentage of columns 3 to 2
(1)	(2)	(3)	(4)
1 Andhra	889,187	692,931	78
2. Assam . . .	2,293,111	872,932	38
3. Bihar	328,472	169,963	52
4. Gujarat	1,351,913	794,733	59
5. Jammu and Kashmir .	107,718	59,655	55
6. Kerala . . .	351,224	154,780	44
7. Madhya Pradesh . .	1,272,665	859,329	68
8. Madras	881,655	540,012	61
9. Maharashtra . . .	2,803,286	1,526,156	54

(1)	(2)	(3)	(4)
10. Mysore . .	961,116	648,665	67
11. Orissa	1,114,459	648,186	58
12. Punjab	975,880	220,240	23
13. Rajasthan . . .	852,602	474,660	56
14. Uttar Pradesh . .	2,369,772	1,457,746	62
15 West Bengal . . .	434,132	197,811	46
16. Himachal Pradesh . .	1,114,697	654,131	59
17. Tripura . . .	113,078	57,143	50
TOTAL . .	18,214,967	1,00,29,073	54·7 (average)

The Committee are given to understand that assuming a daily wage rate of Rs. 1.50 nP and 25 to 23-1/3rd% for overheads it was thought that an expenditure of Rs. 100 incurred on the Rural Works Programme should result in creation of employment opportunities in terms of man-days to the extent of 45 to 50. It will be seen that in Andhra Pradesh, Bihar, Gujarat, Jammu & Kashmir, Madhya Pradesh, Madras, Maharashtra, Mysore, Orissa, Rajasthan, Uttar Pradesh, Himachal Pradesh and Tripura, the employment generated per hundred rupees of expenditure has been of the order of 78, 52, 59, 55, 68, 61, 54, 67, 58, 56, 62, 59 and 51 respectively. This means that in respect of 77.7% of the total expenditure incurred on the Rural Works Programme upto the end of June, 1963, the employment norm originally envisaged has been fulfilled and in some cases, it would appear, it has even been exceeded. However, many schemes involve public contribution and the employment figures may relate to both Government and people's contribution.

It is stated that the employment generated per hundred rupees of expenditure varies a great deal depending on the type of schemes taken up as well as on the prevailing level of wages. Moreover, the same types of schemes may result in employment generation of different orders depending on local soil and topographical conditions. Generally, it is estimated that on percolation tanks or small dams and canals the share of labour will be between 60 to 70%. Under the soil conservation schemes

which have been undertaken under the Rural Works Programme the labour costs will be roughly to the extent of 2/3rd of the total. Schemes of afforestation or new plantations have perhaps the largest labour components. Under these schemes except for small amounts of seeds and plants and the cost of tools, no other capital is needed. Analysis of the costs of road works shows that the labour charges may be as high as 60 to 70%. In schemes for concreting the asphalting the existing road surfaces, however, the wages bill may form only about 40%.

The analysis of expenditure incurred and employment generated upto 30th June, 1963, shows that in Assam, Kerala, Punjab and West Bengal the employment generated per hundred rupees of expenditure has been rather low, being only 38, 44, 23 and 46 respectively.

30. According to the Planning Commission, the three explanations for this variation seem to be that (i) the wage rates paid under the Rural Works Programme in these States, except West Bengal, to both unskilled and skilled labourers, were substantially higher than in other States, the rates paid to unskilled labourers under certain schemes in Assam, Kerala and Punjab being as high as 2.50 nP per day; (ii) Materials, equipments and other overheads under certain schemes such as development of Shamlat lands in Punjab, flood protection road-*cum*-bund schemes in Assam and construction of masonary drains, irrigation channels and roads and culverts in Kerala accounted for a large proportion of the total expenditure so that per hundred rupees of expenditure the corresponding employment generated has been of a low order; and (iii) in some areas even though man-days may be less the out-turn of work may be more due to labourers working much beyond the usual 8 hours per day.

The Committee consider that wide variation in the ratio of generation of employment to expenditure incurred in various States (from 23% in the case of Punjab to 78% in the case of Andhra Pradesh) calls for detailed study. It also needs to be examined whether the slow rate of progress in works, even for areas reported to be having large number of unemployed workers has something to do with the incompatibility of works offered under the Rural Works Programme with the job preference of the available workers. Another aspect which needs further investigation is co-existance of high degree of unemployment and under-employment with high wage rates.

The Committee would suggest that in the light of the study, Government may consider the advisability of laying

down a certain minimum percentage of employment generation to expenditure incurred as a pre-requisite condition for sanctioning schemes under the Rural Works Programme.

H. Slack Agricultural Seasons

Work to be done in Slack Agricultural Seasons.

31. It is provided in the Third Plan that since unemployment and underemployment are specially acute during the slack agricultural seasons, to the extent possible, works programmes should be planned for execution during these periods. Precise determination of slack agricultural seasons with reference to conditions in different regions in a State is, therefore, necessary for the proper planning of the Rural Works Programme.

Works not executed during Slack Agricultural Seasons.

32. The Programme Evaluation Organisation have observed in their Report (1962) that:

> "In many cases, the work was not done in the slack season even though this was an express condition of these projects. The following statement shows the period during which work was actually done *vis-a-vis* the period of slack season for 10 projects for which this information was available (to Programme Evaluation Organisation):—

State	Project	Slack Season	Period when work was done
1. Andhra Pradesh	Ibrahimpatnam	Nov. to May	April to July
2. Assam .	Nowboicha	August to Oct.	March to May and Nov. to January
3. Gujarat .	Dhanera	March to June	December to January
4. Himachal Pradesh	Kunihar	Oct. to April	January to June
5. Kerala .	Kondotti	March to May and October	March to May and October
6. Madras .	Avanashi	March to June	March to August
7. Maharashtra	Karmala	April to Sept.	March to June
8. Orissa .	Dharamagarh	January to May	March to mid-June

State	Project	Slack Season	Period when work was done
9. West Bengal	Memari	Mid-Feb. to mid-June mid-September to mid-Dec.	March to August
10. West Bengal	Rajarhat	February to June and mid-September to mid-Dec.	December to January

The Programme Evaluation Organisation have concluded that:

> "Only in Dharamgarh, Kondotti and Karmala, the work was carried out almost during the slack season. In three others, Nowboicha, Dhanera and Rajarhat (Nos. 2, 3 and 10) the work was done entirely outside the slack period. In the remaining blocks the work was done partly during and partly outside the slack seasons. The tempo of work in the busy season was naturally slower than in the slack period."

The representative of the Planning Commission has admitted during evidence that the works should mainly be implemented during the agricultural slack season. He, however, added that once the work is started it could not be allowed to remain incomplete till the next slack season due to possibility of loss due to rains etc. unless the work is brought to an appropriate stage of completion. The works are, therefore, kept open as long as people in the neighbourhood offer themselves for work.

The Committee understand that while reviewing the information furnished earlier regarding the duration of the slack agricultural seasons in different States it was agreed in the Regional Conference held at New Delhi in January, 1962 that "the existing information should be checked further by Development Commissioners with the State Agricultural Departments and revised to the extent necessary and sent thereafter to the Planning Commis-

sion." The representative of the Planning Commission stated during evidence that information regarding slack agricultural seasons collected in consultation with the Agricultural Departments concerned has since been received from the State Governments.

Now that authentic information about slack agricultural seasons is available it should not be difficult for Government to regulate the agricultural schemes so that the work is concentrated in the slack agricultural seasons. The Committee would stress that no fresh work under Rural Works Programme except village industries should be started outside the slack agricultural seasons.

I. Schemes of Rural Works Programme in Border Districts

33. It has been suggested to the Committee by a non-official organisation that great emphasis should be given under Rural Works Programme to border districts as continuity of large unemployment in those areas is a stake to national integrity. The representative of the Planning Commission has informed the Committee during evidence that while taking into account the percentage of unemployed agricultural labour for selection of blocks more weightage is given to this factor for border States. It was added that three blocks had been selected in Tripura and two in Garo Hills under Rural Works Programme. *The Committee would suggest that as it is imperative in national interest to provide productive employment to labour in border districts (on the eastern, western and northern borders), as many blocks as possible should be selected in these districts for implementation of schemes under Rural Works Programme.*

Emphasis given under Rural Works Programme.

J. Technical Assistance

34. The expeditious implementation of the Rural Works Programme largely depends on availability of adequate technical staff for the planning and execution of schemes. The Committee are informed that for surveys and preparation of plans and estimates in respect of minor irrigation projects, roads and other miscellaneous programmes involving constructive work, the engineering overseers provided as part of the community development organisation in the blocks are mainly utilised in all the States excepting Bihar and Uttar Pradesh. In Bihar the schemes selected so far under the Rural Works Programme mostly relate to minor irrigation and forest roads. The Executive

Availability of adequate Technical Staff.

Engineers, Assistant Engineers and Overseer working in the district under the Minor Irrigation Directorate set up under the Agricultural Department looks after the minor irrigation schemes and the Divisional Forest Officer and his staff are in charge of the schemes relating to forest roads. In Uttar Pradesh the schemes selected are flood protection (bunds, drains, raising of villages etc.) roads and afforestation and these are looked after by the district and sub-divisional staff of the Public Works—Irrigation and Forest Departments.

Suggestion made by Planning Commission.

35. The Committee are given to understand that in a letter addressed to the State Governments on the 5th April, 1963, it was suggested by the Planning Commission that:

> "With the expansion of the Programme in 1963-64 and the increased allocations, the creation of a head-quarters cell has become very urgent. It is important that a whole-time officer of the rank of a Deputy Development Commissioner is placed in-charge of the programme."

The representative of the Planning Commission informed the Committee during evidence that a full time Deputy Secretary has been appointed only recently in West Bengal. One of the existing Deputy Secretaries in the Departments concerned devotes a major part of his time to Rural Works Programme in Andhra Pradesh, Punjab, Madras, Bihar and Rajasthan. Full time Under Secretaries have been appointed under the Programme in Mysore, Kerala, Maharashtra and Assam and the Additional Development Commissioners also take personal interest in the programmes. A Superintending Engineer has been specially provided in Uttar Pradesh and an Executive Engineer has been provided for in Gujarat State.

Technical Staff at Block Level.

36. Steps are also stated to have been taken to strengthen the technical staff at block level by posting additional overseers under the Rural Works Programme in Andhra Pradesh, Punjab, Orissa, Kerala, West Bengal and Maharashtra. In other States the existing technical staff in the blocks are considered to be adequate for the present and would be strengthened as and when necessity arises.

The Committee would suggest that in the light of experience gained the Planning Commission may evolve a model set-up for the headquarters, district and block levels for execution of Rural Works Programme so that it can serve as a guide to the State Governments.

37. The Programme Evaluation Organisation in their Second Evaluation Report (final) have stated as under:—

Paucity of trained personnel for Soil Conservation Programme.

"In States like Madras, Kerala, Andhra, Gujarat and Rajasthan, soil conservation schemes have been selected under the projects, in some areas almost to the exclusion of all other schemes. This was, however, done without any serious examination of the problems, bottlenecks and possibilities of their implementation. Apparently, there was no integrated planning with the result that the schemes ran into problems of shortage of technical and trained personnel, inadequate administrative experience and rising costs. Since the blocks and the panchayats have not, in most States, been associated with soil conservation works in the past, they are not, apparently, in a position to execute soil conservation schemes on the lines laid down by the technical department. Nor could the department come to the aid of the blocks because of the expanded programme it has to implement under the Third Plan."

The Committee understand that the Planning Commission suggested to the State Governments in April, 1963 that "in respect of the soil conservation programme a review may be made of the requirements of trained personnel with reference to the availability of such personnel for the regular planned schemes as well as supplementary schemes proposed to be taken up under the Rural Works Programme".

It has been stated by the representative of the Planning Commission during evidence that after the emergency, the soil conservation targets have been more or less doubled with the result that the requirements of staff in the agricultural sector have greatly increased. The problem of shortage of soil conservation staff therefore continues to remain. It is understood that some steps have lately been taken to augment training facilities for personnel in soil conservation works in Madaras and Gujarat.

The Committee would suggest that as admittedly there is shortage of personnel for undertaking the work of soil conservation, which has assumed urgency because of the need to grow more food, the requirements in this behalf may be comprehensively reviewed by the Planning Commission in consultation with the Ministry of Food and Agriculture and the State Governments so that coordinated measures may be taken to overcome not only the existing shortage but also to meet future requirements.

III

PUBLIC CO-OPERATION AND MISCELLANEOUS

A. Role of Panchayats, Labour Cooperatives and Voluntary Organisations

Schemes to be Executed through Popular Organisations.

38. The Committee are given to understand that the schemes included in the Rural Works Programme are to be executed through the popular organisations at the local level without the intervention of the contractors. Panchayats, labour cooperatives and voluntary organisations are therefore required to play a vital role in organising the execution of works under Rural Works Programme.

Association of Panchayats with Schemes under Rural Works Programme.

39. It is stated that out of 183 blocks in Series I and II in which work is in progress, panchayats or their nominees are associated in about 160 blocks in respect of works relating to minor irrigation tanks, pisciculture tanks, roads etc. along with departmental agencies and others. *Ad hoc* village committees are also entrusted with execution of schemes in some blocks in Assam, Bihar, Kerala, Madhya Pradesh and Maharashtra. Contour bunding schemes are invariably executed by the departments except in Mysore and Madras where an attempt is being made to get the work organised through Panchayats. It has been stated that the general feeling among the majority of the States is that soil conservation programme should continue to be executed departmentally because of the technical nature of work.

Labour Co-operatives.

40. The Committee, however, understand that labour cooperatives have not made such headway so far. The State Governments have been requested by the Planning Commission in March, 1963 to prepare a regular programme for the organisation of labour cooperatives in the blocks covered by the Rural Works Programme and to utilise to the extent necessary the rural works allocation to supplement the provision in the State Plan under "Co-operation" sector for assisting these cooperatives according to the prescribed pattern. A copy of the letter issued to the State Governments is enclosed as Appendix IV.

Steps are stated to have been taken to organise labour cooperatives in the areas covered by the Rural Works Programme in a number of States. In Andhra Pradesh labour cooperatives have so far been organised in 16 blocks and instructions have been issued to organise them in other blocks. In Assam a scheme for organising "Shramik Bahinies" under a separate Act is in operation. These

are associations of workers recognised and registered by the P. W. D. authorities. "Shramik Bahinies" are being used in Assam for execution of works programme. In Kerala the existing labour cooperatives are being reorganised. In Orissa 82 labour cooperatives have been organised in 34 blocks covered by the Rural Works Programme. In States like Punjab Maharashtra and Gujarat where labour cooperatives have been functioning successfully in the past, the need for organising them for implementing the Rural Works Programme, has been emphasised. The representative of the Ministry of Community Development and Cooperation informed the Committee that a National Advisory Board has been set up to review the formation of labour cooperatives from time to time. He added that the problem in the case of rural works is that if a labour cooperative is formed, it does not get any assurance of continued work.

The Committee gather that the labour cooperatives are still in their infancy and it will take some time before their initial difficulties are sorted out. The importance of continuous supply of work is the main problem for the formation and proper working of labour co-operatives. Still the Committee feel that with a definite plan it may not be difficult to ensure regular supply of work, if there is provision for adequate technical and financial assistance and orientation of the staff of the departments in charge of construction works for accepting labour cooperatives as necessary and useful construction agencies. The Committee would urge Government to afford all encouragement to the formation of cooperatives to undertake execution of such schemes of Rural Works Programme which are not being executed through departmental or Panchayat agencies.

Voluntary Organisations.

41. The Committee learn that voluntary organisations have also not so far taken up construction works under Rural Works Programme on any significant scale. Only Bharat Sevak Samaj is stated to have gained experience in executing works in river valley projects etc. and they intended taking up execution of works under the Rural Works Programme through their Lok Kshetras. In order to enable them to undertake construction work it was felt necessary to strengthen this organisation by giving additional grants for appointing a technically qualified Sahayogi. However, due to emergency the proposal was not pursued. The Committee have been informed by the representative of the Planning Commission during evidence that the proposal is now likely to be reconsidered.

The Committee would suggest that the possibility of entrusting as an experimental measure the execution of Rural Works Programme schemes to voluntary agencies or in collaboration with them may be examined.

Execution of works through contractors.

42. It has been represented to the Committee that there are instances where the Panchayats get the work done through contractors. It is admitted by the Planning Commission that:

> "In the reports of the Programme Evaluation Organisation, the check lists information about the schemes and in the quarterly progress reports in respect of certain blocks instances of employment of contractors came to be noticed."

The Committee have been informed that the Programme Evaluation Organisation Reports were sent to the Development Commissioners of State Governments for necessary action. Specific cases of employment of contractors were also immediately brought to the notice of the concerned State Governments.

The Committee would stress that as the purpose of the Rural Works Programme is to generate maximum employment for local unemployed and underemployed labour, Government should ensure that contractors and other intermediaries are not used for execution of schemes.

B. **Evaluation of Rural Works Programme**

Evaluation done by P.E.O. of Planning Commission.

43. The Committee are given to understand that the Programme Evaluation Organisation has been conducting a running evaluation of projects taken up under the Rural Works Programme from their very start. It conducted a preliminary evaluation of most of the pilot projects in early 1961, which had started by that time and sent reports on them to the Development Commissioners concerned. Towards the end of 1961 case histories were prepared on almost all the First Series projects. These case histories were circulated at the Regional Conferences organised by the Planning Commission in January-February, 1962.

The Programme Evaluation Organisation brought out another preliminary report in early 1963 for 15 projects—10 First Series projects and 5 Second Series projects. It is stated that the final report for 23 blocks in Second round of evaluation is under preparation.

Need for state Evaluation Organisations.

44. In this connection, it was explained by the Director, Programme Evaluation Organisation in the regional conference held at Calcutta in 1962 that the case histories of projects in the First Series prepared by the P.E.O. were in the nature of preliminary reports on which suggestions and comments from State Governments would be appreciated. It was added that the Programme Evaluation Organisation could take up the evaluation of only a small

number of projects and therefore it was hoped that State Governments would be making their own arrangements for the evaluation of projects.

The representative of the Planning Commission stated during evidence that they had received evaluation reports only on 12 blocks of Second Series and 2 blocks of First Series from the Government of Orissa. The Planning Commission have been pressing the States to provide a proper evaluation organisation for all their plan programmes of which rural works programme will naturally be a part. A special working group consisting of the representatives of the Planning Commission, Central Ministries concerned and the State Governments is stated to have been constituted to go into the question of States organising their own evaluation machinery for plan programmes on a uniform pattern. This Working Group is expected to make their recommendations within a couple of months to the Planning Commission.

The Committee hope that the State Governments would soon set up their own evaluation organisations which would inter alia *undertake systematic and periodical assessment of the working of the Rural Works Programme so that in the light thereof remedial measures may be initiated without avoidable delay.*

C. Payment of Wages

Extension of Piece Rate System.

45. The Committee understand that in most of the States the workers are being paid on piece rate system for earth work. In certain States like Kerala and Punjab, the Programme is implemented mainly on the basis of daily wages. *As it is an accepted fact that piece rate system of wages ensures better output and reduces the need for supervisory staff, every effort should be made to extend it to as many schemes under Rural Works Programme as possible in all the States.*

D. Records and Statistics

Proper Records and Statistics not yet maintained.

46. It is stated that as the Programme is still in its early exploratory stage and the necessary staff and experience are being built up, it has not yet been possible to establish in a uniform manner all the data and records required about available manpower, employment opportunities etc. It has also taken time to evolve proper procedure for reporting progress.

The Reports of the Programme Evaluation Organisation have also pointed out that information maintained by the block authorities about the execution of programmes is not complete in all cases. A proforma is, therefore, stat-

ed to have been suggested in January, 1963 for maintenance of records about employment etc. which the State Governments have been requested to examine and adopt with such modification as may be found necessary.

It is stated that so far the Governments of Madhya Pradesh, Andhra Pradesh, Uttar Pradesh, Assam and Kerala have adopted the proforma. A copy of the proforma along with a letter in which certain clarifications were intimated to the State Governments is enclosed as Appendix V. The Government of Madhya Pradesh have included an additional item namely particulars about the profession of the labourers. Other State Governments have also been requested to maintain this additional information.

The Committee consider that with the recent strengthening of the staff at the block level and the State Headquarters, there should be no insuperable difficulty in maintaining the information on the lines indicated by the Planning Commission.

Quarterly Progress Reports.

47. It is stated that the quarterly progress reports in respect of each of the selected blocks are to be submitted to the State Governments by the Block Development Officers and others in the detailed checklist which was evolved in the Regional Conferences held in January-February, 1962 (Appendix VI). It is expected that reports will be received at the State headquarters within a month after the close of the quarter. After scrutiny and reconciliation of the discrepancies, if any, copies are to be forwarded to the Planning Commission expeditiously.

The Planning Commission have stated that the exact State-wise position regarding the time taken for sending quarterly progress reports is difficult to indicate because blockwise reports are received in instalments on different dates. The position in respect of quarterly progress reports in respect of quarter ending March 1963 has, however, been analysed and it is found that they have been received after about 2½ months from the close of the quarter from Andhra Pradesh, Madhya Pradesh, Madras, Kerala, Maharashtra, Mysore, Punjab and Rajasthan while the reports from Assam, Orissa, Uttar Pradesh, West Bengal, Himachal Pradesh and Tripura were received within 3 to 4 months of the close of the quarter.

The Planning Commission have stated that the detailed check list in which the progress report has to be submitted is somewhat difficult to fill in as it provides for furnishing of additional data on a number of items relating to rate of wages, wage expenditure, employment etc. which are not required to be given in the case of other development programme.

The Committee consider that as progress reports provide an insight into the working of the scheme it is imperative that these are submitted to the Planning Commission within two months of the closure of the quarter.

ARUN CHANDRA GUHA,
Chairman,
Estimates Committee.

NEW DELHI;
April, 11 1964.
Chaitra, 21 1886 (*Saka*).

APPENDIX I

(*Vide* Para 5)

Statement showing the number of man-days of employment generated on gn average per block in the I, II and III Series blocks during 1960-61, 1961-62 *and* 1962-63

States	1960-61		1961-62		1962-63		
	I Series	II Series	I Series	II Series	I Series	II Series	III Series
1	2	3	4	5	6	7	8
1. Andhra Pradesh.	10,890	..	51,864	1,700	39,809	18,010	1,000
2. Assam	7,476	..	39,210	6,317	30,141	42,020	4,795
3. Bihar .	..	..	..	1,440	..	19,919	..
4. Gujarat	..	..	28,755	6,201	15,689	17,426	..
5. J & K	..	..	46,559	..	10,931	5,340	..
6. Kerala	5,702	..	18,772	..	17,722	6,057	..
7. M. Pradesh .	..	..	63,630	5,995	1,25,702	32,195	..
8. Madras	..	..	..	..	..	11,719	..
9. Maharashtra .	..	..	19,551	4,301	40,833	48,797	..
10. Mysore	1,245	..	1,53,637	..	51,258	7,523	5,595
11. Orissa	..	..	7,297	..	52,301	8,800	..
12. Punjab	5,050	..	24,804	12,808	34,316	8,817	..
13. Rajasthan	9,194	..	1,21,082	1,000	43,112	24,780	..
14. U.P. .	..	..	14,039	..	40,310	31,125	12,609
15. W. Bengal .	6,273	..	19,117	2,067	27,936	14,256	..
16. H. Pradesh .	66,663	..	1,13,866	20,813	40,438	69,236	..
17. Tripura	..	..	..	10,870	..	34,401	..

APPENDIX II

(*Vide* Para 19)

Statement indicating the time taken in putting the schemes on ground in different States after proposals were agreed to by Planning Commission and actual sanctions issued both under the First & Second Series

FIRST SERIES

Time taken to commence work after sanction	No. of blocks	Name of the State and number of blocks in each State		Total No. of blocks allotted	
1	2	3		4	
1 to 3 months .	20	Andhra Pradesh	2	Andhra Pradesh	3
		Assam .	3	Assam .	3
		Kerala .	2	Bihar .	..
		Madhya Pradesh	1	Gujarat .	2
		Maharashtra	1	Jammu & Kashmir .	1
		Mysore .	2	Kerala .	2
		Orissa .	2		
		West Bengal	2		
		Himachal Pradesh .	1	Madhya Pradesh .	3
3 to 6 months .	5	Andhra Pradesh .	1	Madras .	2
		Jammu & Kashmir .	1	Maharashtra	3
		Madras .	2	Mysore .	2
		Maharashtra	1	Orissa .	2
				Punjab .	2
				Rajasthan .	2
6 to 9 months .	..	..		West Bengal	2
9 to 12 months .	5	Gujarat .	2	Himachal Pradesh .	1
		Maharashtra	1	Tripura .	..
		Uttar Pradesh	2		
					32

SECOND SERIES

1 to 3 months .	32	Assam .	8	Andhra Pradesh	15
		Gujarat .	2	Assam .	10
				Bihar .	13

1	2	3		4	
		Madhya Pradesh	7	Gujarat	11
		Maharashtra	3	Jammu & Kashmir	6
		Orissa	1	Kerala	13
		Punjab	3	Madhya Pradesh	10
		West Bengal	1		
		Himachal Pradesh	5		
		Tripura	1	Madras	13
3 to 6 months	47	Andhra Pradesh	1	Maharashtra	15
		Assam	2	Mysore	13
		Gujarat	3	Orissa	12
		Madhya Pradesh	1	Punjab	10
		Madras	5	Rajashan	13
		Maharashtra	2	Uttar Pradesh	20
		Mysore	3		
		Orissa	7	West Bengal	14
		Punjab	6	Himachal Pradesh	5
		Rajasthan	4	Tripura	3
		Uttar Pradesh	3		
		West Bengal	1		
6 to 9 months	32	Andhra Pradesh	3		196
		Gujarat	2		
		Madras	5		
		Maharashtra	5		
		Mysore	4		
		Orissa	1		
		Rajasthan	6		
		Uttar Pradesh	5		
		Tripura	1		

APPENDIX III

(*Vide* Para 27)

Statement showing amounts allotted during 1963-64 *upto* 30*th June,* 1963 *by the State Governments to the blocks of the Third Series where work had commenced till* 20*th June,* 1963

Andhra Pradesh

Out of the 71 blocks allotted to Government of Andhra Pradesh under the third series work could commence only in 20 blocks by the end of June, 1963 which marks the completion of the slack season.

The details regarding allocation, expenditure and employment in terms of mandays are indicated below in respect of blocks where work had started by the end of June 1963:—

Name of the Block	Amount allocated by state Government	Expenditure incurred upto 30-6-1963	Employment generated up to 30-6-63 (in mandays)
1	2	3	4
	Rs.	Rs.	
1. Ranastalam	12,000	942	1,116
2. Mandasa	12,000	1,180	120
3. Ramabhedrapuram	12,000	..	2,959
4. Ravikamatham	12,000	2,000	2,040
5. Pendurithi	12,000	1,000	150
6. Kotananduru	12,000	5,200	5,500
7. Chintalapudi	12,000	3,255	3,200
8. Polavaram	12,000	740	592
9. Nadendla	12,000	2,000	133
10. Santhamagular	12,000	1,222	..
11. Kota	12,000	1,012	832
12. Jammalamadugu	12,000	1,000	1,330
13. Tandur	12,000	481	460
14. Maheswaram	12,000	..	748
15. Bijanapally	12,000	998	868
16. Madhira	12,000	1,500	3,200
17. Aswaraopet	12,000	1,000	257
18. Armoor	12,000	978	232
19. Medak	12,000	594	120
20. Narayankhed	12,000	1,000	860
		26,102	24,657

Assam

By the end of June, 1963 work had started in 16 out of the 20 blocks allotted to Government of Assam for the implementation of the rural works programme under the third series. The details regarding allocation, expenditure and employment upto the end of June 1963 are given below in respect of blocks where work had started by the end of June, 1963:—

Name of the Block	Amount allotted by state Government	Expenditure incurred	Employment generated
1	2	3	4
	Rs. nP.	Rs. nP.	mandays
1. Matia	25,000·00	843·24	422
2. Kapili	20,000·00	12,535·73	3,393
3. Srijangram	20,000·00	12,008·64	6,293
4. Lala	25,000·00	16,500·00	9,834
5. Hajo	25,000·00	21,000·00	6,990
6. Dimow	18,000·00	3,088·56	1,478
7. Salchapra	25,000·00	2,992·00	1,496
8. Pynursla	18,000·00	18,000·00	15,496
9. Dembuk Aga	25,000·00	25,000·00	5,171
10. Shella Bholaganj	25,000·00	14,150·50	4,488
11. Mairang	18,000·00	15,296·00	Expenditure incurred on materials
12. G obardhana	25,000·00	28,909·00	11,159
13. Dimloria	25,000·00	25,000·00	(Amount drawn in advance upto 31-3-1963)
14. Mandia	25,000·00	25,000·00	6,953
15. Amguri Titabar	18,000·00	417·00	330
16. Dhekiajuli	18,000·00	37,797·50	18,898
TOTAL		258,538·17	92,401

Bihar

Of the 67 blocks finally agreed to under the third series for Bihar, information regarding expenditure and employment is available only in respect of 6 blocks and they are indicated below:—

Name of the Block	Expenditure incurred upto 30-6-1963	Employment generated (mandays) upto 30-6-1963
	in Rs.	
1. Barachatty	2,680	1,700
2. Imamganj	10,000	7,000
3. Konch	11,643	7,500
4. Kutumba	13,840	8,400
5. Obra	5,963	4,000
6. Kako	11,781	8,000
	55,907	36,600

The funds have been allotted by the State Government to three technical Departments to whom different categories of schemes have been entrusted for execution. Funds to the Blocks have been sub-allotted, but the information for the funds allotted blockwise is not available.

Gujarat

Work has not commenced so far in any of the 20 blocks selected under the third series. Proposals have been formulated for eighteen blocks and the plans and estimates are being prepared. The block-wise allocations have not yet been worked out.

Jammu & Kashmir

Out of the 10 blocks allotted for the third series only 5 blocks have been selected so far and schemes have been formulated only in respect of one block during September, 1963. The expenditure incurred up to June, 1963 was therefore nil.

Kerala

Work had not commenced in any of the 15 blocks allotted to Government of Kerala for the third series by the end of June, 1963. Proposals have been finalised in respect of all the blocks and the initial allocations have been made for 13 blocks. The plans and estimates are under preparation.

Madhya Pradesh

Initially 40 blocks were allotted under the third series for the implementation of the programme and 10 more blocks were agreed to at the request of the State Government in July, 1963. The block-wise position about allocation, expenditure and employment are indicated below in respect of blocks where work had commenced by the end of June, 1963:—

Name of the Block	Amount allotted by State Government	Expenditure incurred upto 30-6-1963	Employment generated (mandays) upto 30-6-1963
1	2	3	4
	Rs.	Rs. nP.	
1. Gangeo	25,000	20,431·29	9,110
2. Shahnagar	25,000	5,602·75	5,000
3. Pushparajgarh	25,000	20,00·00	10,000
4. Seondha	25,000	7,006·00	3,653
5. Chanderi	25,000	15,881·00	7,940
6. Bhanderi	25,000	1,476·00	700
7. Porsa	25,000	1,169·15	490
8. Marwahi	25,000	9,947·46	7,964
9. Ambikapur	25,000	20,000·00	9,600
10. Sitapur	25,000	20,000·00	10,000 (upto 31-3-1963)
11. Surajpur	25,000	20,000·00	13,332
12. Baikunthpur	25,000	20,000·00	13,333
13. Dharamjaigarh	25,000	15,000·00	15,000
14. Kasdol	25,000	25,000·00	50,000 (upto 31-3-1963 includes Sharamdan also)
15. Chowkir	25,000	9,500·00	9,500
16. Chappara	25,000	4,007·32	2,316
17. Kiranpur	25,000	3,300·00	1,760
18. Amarwara	25,000	19,558·07	12,949
29. Bankhedi	25,000	12,000·00	5,310
20. Rajgarh	25,000	20,000·00	10,000
21. Khategaon	25,000	19,000·00	9,500
22. Bhikamgaon	25,000	10,729·50	16,632
23. Mhow	25,000	27,160·47	22,454
24. Khandwa	25,000	5,101·00	2,550

1	2	3	4
25. Pandhana	25,000	10,000·00	5,000
26. Chegaon Makhan . .	25,000	20,000·00	10,000
27. Harsud	25,000	20,000·00	13,333
28. Khalwa	25,000	8,725·60	5,333
29. Sondwa	25,000	55,000·00	37,015
TOTAL . .		4,45,595·61	3,19,774

Madras

Thirty-five blocks have been allotted to Government of Madras under the third series. Work had not effectively commenced in many of these blocks by the end of June, 1963. The State Government have authorised the panchayat samities to incur an expenditure up to Rs. 84,000 during 1963-64. The expenditure will be initially met by the panchayat samities out of their own resources and it will be reimbursed by the State Government.

Maharashtra

Work had commenced by the end of June, 1963, in 23 out of the 50 blocks allotted for the third series. The blockwise details about allocations, expenditure and employment are indicated below in respect of blocks where work had commenced by the end of June, 1963:—

Name of Block	Amount allotted	Expenditure incurred upto 30-6-63	Employment generated (mandays) upto 30-6-1963
1	2	3	4
	Rs.	Rs.	
1. Murbad	2,00,000	59,420	2,668
2. Shahapur	2,00,000	37,380	49,174
3. Mangaon	2,00,000	6,000	3,000
4. Sudhagad	2,00,000	8,631	8,756
5. Guhagar	2,00,000	2,747	6,183
6. Rajapur	2,00,000	11,775	7,488
7. Sindkheda	2,07,250	21,825	Nil
8. Navapur	2,01,700	68,475	7,548
9. Akola	1,99,700	1,00,465	1,73,925
10. Sangamner	2,00,000	26,525	Nil
11. Indapur	1,66,250	26,050	13,725
12. Velha	2,00,000	4,167	2,000
13. Jath	2,02,000	4,800	4,600
14. Mangalwedha	1,96,000	34,227	6,847
15. Partur	2,00,000	5,000	7,724
16. Pathri	2,00,000	Nil	240
17. Manjleghon	1,83,000	2,000	Nil
18. Ausa	2,00,000	3,000	4,000

1	2	3		4
		Rs.	Rs.	
19.	Morshi	2,00,000	1,000	130
20.	Akot	2,00,000	42,320	N.A.
21.	Saoner	1,82,200	5,500	4,983
22.	Deori	2,00,000	1,700	Nil
23.	Nagbhid	2,00,000	650	1,250
	TOTAL . .		4,53,577	3,04,241

Mysore

Till the end of June, 1963, work had commenced in 10 blocks out of the 25 blocks allotted to Government of Mysore for the third series. The blockwise details about allocations, expenditure and employment are indicated below in respect of blocks where work had commenced by the end of June, 1963:—

Name of Blocks	Amount allocated by state Government	Expenditure incurred upto 30-6-1963	Employment generated (mandays) upto 30-6-1963
1	2	3	4
	Rs.	Rs.	
1. Bagepath	60,000	7,350	5,095
2. Mulbagal	60,000	3,056	3,200
3. Srinivasapura . . .	60,000	15,393	8,517
4. Kushtagi	60,000	39	39
5. Kumta	60,000	4,819	3,500
6. Honavar	60,000	3,600	1,800
7. Honnali	60,000	9,477	5,552
8. Channagiri . . .	60,000	8,660	3,100
9. Holenarsipur . . .	60,000	485	520
10. Gulbarga . . .	60,000	140	100
TOTAL . .		53,019	31,423

Orissa

Initially 20 blocks were allotted to Government of Orissa for the third series. Allotment of 10 more blocks was agreed to at the request of the State Government in August. One more block was allotted in October. Work had just started only in 19 blocks by the end of June, 1963.

The particulars about allocation, expenditure and employment are indicated below in respect of blocks where work had commenced by the end of June, 1963:—

	Name of the Block	Amount allotted by state Government	Expenditure incurred upto 30-6-1963	Employment generated (mandays) upto 30-6-1963
		Rs.	Rs.	
1.	Patnagarh	51,000	51,000*	5,295
2.	Birmaharajpur	51,000	1,000	
3.	Boriguma	51,000	1,000	
4.	Kalyansinghpur	51,000	1,000	
5.	Badampur	51,000	1,500	1,305
6.	Betnoti	51,000	1,000	
7.	Kaptipada-II	51,000	1,000	
8.	Balianta	51,000	1,000	
9.	Champua	51,000	2,652*	2,121 (Rs. 652 paid from other cash)
10.	Ghatgaon	51,000	1,000	
11.	Boudh	51,000	1,000	
12.	Pallahara	51,000	51,000*	
13.	Rangailunda	51,000	51,000*	4,800
14.	Hinj-licut	51,000	51,000*	4,000
15.	Khariar	51,000	1,000	
16.	Koksara	51,000	1,000	
17.	Tihidi	51,000	1,000	
18.	Simulia	51,000	1,000	
19.	West Bonai	51,000	1,000	
	TOTAL		2,21,152	17,521

Punjab

So far 18 blocks have been allotted—15 blocks initially and 3 blocks after June at the request of the State Government. Work had commenced in 6 blocks by the end of June, 1963. The blockwise details about allocations, expenditure and employment are indicated below in respect of blocks where work had commenced by the end of June, 1963:—

Amount drawn by the Panchayat Samitis.

Name of Block	Amount allotted by State Government	Expenditure incurred upto 30-6-1963	Employment generated (mandays) upto 30-6-1963
1	2	3	4
	Rs.	Rs.	
1. Rai	1,36,000	1,990	10
2. Nilokheri	1,75,000	11,517	3,089
3. Kandaghat . . .	1,00,000	25	10
4. Narot Jaimal Singh . .	80,000	2,500	160
5. Sangrur	1,36,000	3,000	725
6. Moga. I	1,39,000	7,344	5,306
7. Machhiwara . . .	60,000	..	70
TOTAL . .		26,376	9,370

Rajasthan

Proposals in respect of only three blocks have been finalised so far out of the 25 blocks allotted for the third series. The selection of the blocks itself was completed only by June, 1963. Even though allotment has been made at the rate of Rs. 20,000 per block for all the blocks of the third series a sum of Rs. 6,000 was spent in one block and Rs. 117 in another block and the employment opportunities generated have been reported to be 6,000 mandays.

Uttar Pradesh

Initially 80 blocks were allotted to Government of Uttar Pradesh for the third series. Allotment of 32 more blocks was agreed to at the request of the State Governments. Work has started in 69 blocks by the end of June, 1963.

The blockwise details regarding expenditure and employment in terms of mandays are indicated below:—

	Name of Blocks	Amount allotted by State Government	Expenditure incurred upto 30-6-1963	Employmen genèrated in terms of mandays upto 30-6-1963
	1	2	3	4
		Rs.	Rs.	
1.	Akbarpur	92,800	3,187	3,400
2.	Bikapur	61,000	6,607	2,500
3.	Intiathokè	1,01,010	1,135	850
4.	Coloneganj	1,31,000	33,185	26,000
5.	Paraspur	1,46,000	31,842	28,400
6.	Utraula	1,68,900	22,673	20,756
7.	Balrampur	1,57,000	25,772	22,188
8.	Sheopur	1,50,120	50,410	35,150
9.	Belha	1,49,920	57,195	37,200
10.	Ikauna	2,00,300	65,530	34,300
11.	Kurebhar	1,06,400	27,635	16,800
12.	Jaisinghpur	1,37,400	12,498	12,000
13.	Akhandnagar	1,21,600	26,741	17,000
14.	Bhadar	18,850	26,860	14,000
15.	Dostpur	71,562	9,458	5,600
16.	Amethi	1,10,988	24,767	13,000
17.	Hatta	64,547	4,557	5,010
18.	Captainganj	1,46,000	4	..
19.	Salempur	2,02,739	2,739	88
20.	Lar	1,63,852	13,852	400
21.	Barhaj	1,31,700	6,748	236
22.	Bhatni	1,73,310	3,310	106
23.	Bhatpur Rani	1,85,000	12,998	12,260
24.	Kasia	1,38,153	3,382	2,200
25.	Rampur Karkhana	1,06,231	6,231	7,000
26.	Baitalpur	35,260	15,260	492
27.	Rudrapur	2,00,200	1,06,118	1,02,700
28.	Desai Deoria	1,21,104	21,104	21,000
29.	Gauri Bazar	1,30,408	43,546	36,800
30.	Pathar Deo	1,10,295	10,923	11,290
31.	Dudhi	1,09,941	9,941	10,000
32.	Bishunpura	1,00,000	2,759	1,200
33.	Nath Nagar	1,33,400	268	120
34.	Saltawa Gopalpur	1,25,000	1,011	500
35.	Naugarh	2,08,304	9,526	10,000
36.	Barhni	1,39,278	44,725	23,330
37.	Jogia	2,03,804	73,599	45,000
38.	Uska	70,094	9,479	9,500
39.	Birdpur No 9	1,47,902	28,741	17,100
40.	Khesraha	1,11,430	18,055	8,210
41.	Captainganj	1,00,000	23	

1	2	3	4
	Rs.	Rs.	
42. Harraiya	69,716	69,363	56,300
43. Dôhri Ghat	55,137	11,600	10,900
44. Badraôn	8,996	3,954	4,000
45. Maharajganj	12,169	9,514	9,550
46. Sikandra Raô	1,79,215	11,215	9,000
47. Niamtabad	51,515	1,021	1,000
48. Chandauli	2,85,242	28,660	20,900
49. Gyanpur	1,81,500	1,498	1,500
50. Sériawan	61,500	1,497	1,500
51. Birnô	25,000	3,148	1,300
52. Bhanwar Kôlè	1,13,362	17,928	16,400
53. Pandah	28,054	2,152	1,040
54. Rasra	50,644	15,183	10,396
55. Nawanagar	68,000	15,861	12,600
56. Rèôti	31,041	2,259	2,010
57. Karanjia Kalan	8,100	16,362	7,000
58. Karakat	2,000	1,980	..
59. Narainpur	81,873	26,090	23,600
60. Jamalpur	51,975	9,681	7,810
61. Hallia	2,50,000	388	150
62. Chakia	77,300	1,288	1,288
63. Khôrabhar	3,50,000	15,956	7,000
64. Piprauli	50,000	6,117	3,000
65. Chargawan	3,39,000	5,282	2,500
66. Lakshmipur	50,000	550	20
67. Saiyan	50,000	365	150
68. Kharagarh	1,70,000	100	50
69. Jagner	88,000	4,873	2,000

West Bengal

Proposals have been finalised only in respect of 5 blocks out of the 30 blocks during the months of August and September, 1963. No work could be started in any of the blocks by the end of June, 1963.

The names of the blocks so far selected for the third series and the allocations made are given below:—

Namè ôf thè Blôck	Allôcatiôns made by State Government
1. Darjeeling Pulbazar	Rs. 5,000 (August, 1963)
2. Taldangra	N.A.
3. Simalpali	N.A.
4. Indus	N.A.
5. Burwan	Rs. 15,000 (Sèptèmbèr, 1963)

Himachal Pradesh

Out of the 15 blocks allotted to Himachal Pradesh under the third series, work could commence in only six blocks by the end of September, 1963.

The blockwise details regarding allocation, expenditure and employment in terms of mandays are indicated below in respect of blocks where work had commenced upto end of September, 1963:—

Name of Blocks	Amount allocated by State Government	Expenditure incurred upto 30-9-1963	Employment generated in terms of mandays upto end of September, 1963
	Rs.	Rs.	Mandays
1. Karsog	100,000	34,047	8,000
2. Shillai	100,000	15,794	7,800
3. Bhattiyat	100,000	36,000	414
4. Pachhad	100,000	441	123
5. Sangrah	100,000	338	200
6. Jubbal-II	100,000	3,140	..
		89,760	16,537

NOTE: The allotment of funds to the various blocks is made by the State Governments and not by the Planning Commission. The Planning Commission only intimates the total allocation for the programme for the financial year to the State Governments.

APPENDIX IV

(*vide* Para No. 40)

Copy of the Letter No. RW/7/1(2)62, dated the 16th March, 1963 issued by the Planning Commission to the State Governments about Organisation of Labour Co-operatives in areas selected for the implementation of the Rural Works Programme.

It has been emphasised by the Planning Commission that the essence of the Rural Works Programme consisted not merely in the provision of a supplementary works programme which would by itself provide only a limited amount of additional employment, as in the decision to utilise fully the manpower resources of the selected areas, and to reorient the working of the entire development programme so as to achieve this central object. This involves the utilisation of the services of labour cooperatives and voluntary organisation to the maximum extent possible in the execution of not only the schemes included in the rural works programme but all development programmes in the areas selected for the programme. The difficulties experienced by the labour cooperatives came up for discussion in the three regional conferences on works programme for utilising rural manpower held in January-February, 1962 and the following suggestions were made for facilitating the growth of labour cooperatives :

(i) At present, the estimate for a project was prepared as a whole or in large units, as this perhaps led to better rates being quoted. It was essential that Public Works and other departments concerned should prepare suitable estimates to facilitate assignment of works to labour cooperatives and local organisations at the district and block levels.

(ii) Departments should extend to labour cooperatives and local organisations maximum facilities by way of materials, machinery, etc.

(iii) Sufficient time should be allowed to enable local organisations to plan for the execution of works entrusted to them.

(iv) Staffs of technical departments had to be oriented towards working with local organisations in the same way as the administrative services were being oriented.

(v) Technical departments tended to evaluate labour cooperatives and local organisations even more strictly than was the case with contractors.

(vi) Provision of funds by way of working capital for labour cooperatives and local organisations should be arranged.

(vii) It was recognised that the greater the progress in building up the capacity of panchayats and cooperatives to execute, the greater would be the possibility of persuading departments to assign works to them.

2. The Ministry of Community Development, Panchayati Raj and Cooperation (Department of Cooperation) had conveyed an All India seminar in September, 1962 at Nagpur to discuss the problems relating to Labour Contract and Construction Cooperatives. The seminars has endorsed most of the suggestions made in the regional conferences. A copy of the important recommendations of the seminar is enclosed. The implementation of these recommendations along with those of the regional conferences will considerably assist in the successful functioning of labour cooperatives.

3. In the blocks selected under the first and second series of pilot projects for utilisation of rural manpower it has not been possible to make much headway in organisation of labour cooperatives for the execution of the works programmes. During the next phase of the programme it will be necessary to make special efforts for organisation of labour cooperatives in the areas covered by the programme with the assistance of Panchayati Raj institutions and other voluntary organisations and active support of the administrative and technical staff especially those provided under the rural works programme. The Ministry of Community Development, Panchayati Raj and Cooperation (Department of Cooperation) have already evolved a pattern of asistance for labour cooperatives and it is presumed that funds have been provided in the cooperation sector of the State Plans for this purpose. It should be possible for the labour cooperatives organised in the areas selected for the rural works programme to get assistance out of this provision. In case this provision needs to be supplemented with the provision made for the rural works programme, specific proposals may be sent.

I am to request that a regular programme may be prepared for the organisation of labour cooperatives and sent to the Planning Commission at a very early date. A copy of the programme may also be forwarded to the Ministry of Community Development, Panchayati Raj and Cooperation.

RECOMMENDATIONS RELATING TO AWARD OF WORKS TO LABOUR COOPERATIVES

1. The programme of development of Labour contract and construction cooperatives should be accepted as an important programme by the P.W.D. authorities and other concerned agencies.

2. Unskilled works without any limit should be exclusively reserved for labour cooperatives.

3. Skilled works upto Rs. 50,000 exclusive of the cost of materials should be reserved for labour cooperatives, and they should be eligible to submit tenders for skilled works beyond this limit. Some weightage should be given to such tenders submitted by cooperatives.

4. Where skilled works include large components of un-skilled work, the tenders should be split up where feasible and the unskilled portion of the work awarded to labour cooperatives. The P.W.D. authorities should issue necessary instructions to the concerned officers to follow this method in the award of contracts to labour cooperatives.

5. The P.W.D. and other concerned authorities should draw up a phased programme for the award of suitable works to labour cooperatives.

6. Contracts for works reserved for labour cooperatives should be entrusted to their unions, where existing, for eventual distribution amongst them according to their capacity instead of inviting tenders from them.

RECOMMENDATIONS RELATING TO FINANCIAL AND OTHER FACILITIES.

1. Labour cooperatives should be exempted from payment of earnest and security deposit in respect of contracts awarded to them.

2. The agencies awarding contracts should make initial advances upto 20% of the value of the contracts to the central financing agencies for enabling them to provide clean accommodation to labour cooperatives.

3. Costly machines and equipment should be provided to labour cooperatives by the agencies awarding contracts either at nominal rent or rate contract basis.

RECOMMENDATIONS RELATING TO PAYMENT OF BILLS ETC.

1. The schedule of rates should be revised by the P.W.D. regularly on a rational basis in respect of works entrusted to cooperatives without calling for tenders.

2. With a view to ensuring prompt payment of bills, instructions should be issued by the P.W.D. and other concerned authorities to their respective officers for the payment of bills every fortnight on completion of each stage of work upto specified limits.

3. It may be examined whether the P.W.D. can permit the charging of interest on the outstanding amounts in the bills after the prescribed reasonable period for payment is over.

4. Where necessary a liaison officer of the cooperative department should be attached to the Public Works Department to ensure quick settlement of bills. Similarly an officer of the public works department may be attached to the cooperative department to guide cooperatives in the execution of works.

5. Independent tribunals should be set up for deciding disputes that may arise in connection with the execution of works and settlement of bills. The tribunal may consist of three persons including representatives of the labour cooperatives, P.W.D. and the cooperative department or of one person acceptable to both parties.

APPENDIX V

(*Vide* Para 46)

Copies of letters No. RW|7|2|13|63, dated the 22nd January, 1963 and RW|7|2|8|62, dated the 7th February 1963 from the Planning Commission to the State Governments regarding maintenance of records.

Information regarding the employment opportunities generated through the rural works programme is required to be furnished in the quarterly progress reports. In the employment surveys undertaken through the Employment Market Information units and the case studies undertaken by the Programme Evaluation Organisation an attempt is made to make an assessment of the impact of the programme on the local employment situation. It appears that the information maintained by the authorities executing the programme regarding the workers employed, is not complete in all cases. I am directed to request that the State Governments may consider the introduction of a simple proforma so that the minimum information required may be available with all the executing authorities. It is suggested that the proforma may include the following items:—

(i) Name of the worker.
(ii) Age.
(iii) Sex.
(iv) Village of residence.
(v) Distance from the village of residence to the work site.
(vi) Attendance (daily).
(vii) Out-turn of work done daily (cft. of earth work etc.)
(viii) Wage rate.
(ix) Wages earned (daily).

The schemes taken up under the rural works programme are generally executed on the basis of muster rolls since contractors are not to be employed. Presumably the muster rolls contain information regarding the name of the worker, his age, daily attendance, out-turn of work, disbursement of wages, etc. In Planning Commission letter No. RW|7|2|13|62, dated 22nd January, 1963, the State Governments were requested to consider whether the authorities executing the schemes under the rural works programme can be asked to maintain certain minimum information regarding the workers engaged. The intention was to suitably modify the existing form for the maintenance of muster rolls and not to prepare a separate record for each worker independently. In case, it is difficult to provide for information on all the suggested items in the muster rolls, necessary modifications in respect of these items may kindly be suggested. I am to clarify that the items indicated in Planning Commission's letter are in the nature of suggestions for consideration.

APPENDIX VI

(*Vide* para 47)

Check list evolved in the Regional Conferences held in January-February, 1962 for submission of quarterly progress reports in respect of each of the selected blocks.

State
District
Block

Period of Report

January-March.
April-June.
July-September.
October-December.

1. Name of scheme*.
2. Total estimated cost and estimated Government expenditure.
3. Progress of scheme and stage of execution.
   (a) Earth-work (%cfh.) — %of work executed.
   (b) Masonary %cft). — %of work programmed.
   (c) Area benefited (in acres)

4. (a) Expenditure incurred by Government	During quarter under report	To end of the quarter (cumulative)	Anticipated for next two quarters

5. Community contribution realised (Nature and value).
6. Expenditure treated as loans to beneficiaries.
7. (a) Wage rates paid for skilled and unskilled work, separately (for men and women).
   (b) Total wages paid.
8. Labour rates paid for earthwork (100 cft) and masonary (100 cft).
9. Employment—
   (a) Employment in man-days.
   (b) Average daily number of workers month by month during the quarter.
10. Agency through which work is executed with remarks, if any.
11. General observations on working of schemes including composition of labour force, loans to beneficiaries, coordination, bottlenecks and suggestions.

*Examples of schemes are: Soil conservation, minor irrigation afforestation etc. and a scheme may comprise several works located in different places.

APPENDIX VII

Summary of Conclusions/Recommendations contained in the Report

Sl. No.	Reference to para No. of the Report	Summary of Conclusions/Recommendations
1	2	3
1	5	The Committee are constrained to observe that an important scheme like Rural Works Programme has lagged far behind the target, though it has been recognised as significant not merely for creating the additional employment opportunities, but even more as an important means for harnessing the large manpower resources available in rural areas for the rapid economic development of the country. The Committee would also suggest that for the Fourth Five Year Plan, the financial provision for the Rural Works Programme should be included in the financial limits of the Plan so that there is no uncertainty about the funds as has been the case during the current Plan period.
2	7	The Committee feel that the undertaking of Rural Works Programme in an *ad hoc* manner from year to year, has limited its capacity to generate remunerative assets. The Programme has suffered not a little due to uncertainties of scope and criteria for grants. The net result is that the Rural Works Programme has failed to make any significant impact on rural economy. The Committee find that the question of having "integrated block plans in which all programmes undertaken under Community Development, other departments and under the Rural Works Programme are devetailed" has not so far received "the measure of attention necessary". It has also been stated that in view of the year to year allotment of funds to the Rural Works Pro-

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		gramme, it has not been possible to "work out a programme in advance and to fit these programmes with the block programmes".
		The Committee cannot feel happy with such a state of affairs and would suggest the appointment of a Working Group to go into the question of removing the difficulties for co-ordinating all these development programmes and for better and more effective implementation of the Rural Works Programme.
3	8	The Committee feel that though there may be some difference in the pattern of schemes such as Rural Works Programme, Local Development Scheme, Rural Industries Scheme, Public Co-operation Scheme, Village Volunteer Force, Labour Bank, Gram, Ekai etc., there is the risk of overlapping and in certain cases even of counteracting. The Committee would, therefore, suggest that the Working Group, recommended in paragraph 7, may go into the question of proper co-ordination and linking of all these different schemes so that rural areas may get the overall benefit of all these schemes and may not suffer from any conflicting forces.
4	9	The Committee are not happy that the Planning Commission which is primarily concerned with the drawing up of plans should be saddled with the responsibility of looking after execution of schemes in the field like Rural Works Programme, Local Development Schemes etc. and would suggest that the feasibility of entrusting the Rural Works Programme to some administrative Ministry may be examined early.
5	12	The Committee are glad to note that no money has been spent on social welfare works in the Third Series. The Committee agree that the Rural Works Programme should primarily be devoted to increasing agricultural production, development of village industries, construction of link roads and creation of remunerative assets, while social welfare works should be included more appropriately in the Community development and other State development schemes.

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6	15	The Committee feel that it was entirely inappropriate to include the Naujheel Pilot Project in the Rural Works Programme at a high cost exceeding Rs. 9 lakhs, when it did not fulfil the primary condition of relieving the pressure of unemployment or under-employment in the area. The Committee have no doubt that learning from experience the Planning Commission would not allow such works to be included in the Rural Works Programme.
7	17	The Committee are constrained to observe that the important question of employment surveys has not received the attention of Government that it deserved. They would suggest that an early decision should be taken regarding the scope of employment surveys and the agency which should be entrusted to carry it out in the field. The Committee would, in fact, suggest that the employment surveys should be carried out not only before selecting the areas for the implementation of Rural Works Programme, but at regular intervals in order to have a clearer picture regarding the immediate and ultimate impact of the works programme on the local employment situation.
8	21	The Committee are constrained to observe that the position regarding commencement of works in the Third Series has not appreciably improved as compared to the first two Series. The Committee are unable to appreciate why work in 283 blocks of the Third Series could not be commenced even by the end of September, 1963 when the allocation of blocks was intimated in most cases to the State Governments about 10 months earlier (November, 1962). The Committee would suggest that Government should evolve suitable measures in consultation with the State Governments to overcome these obstacles. They would particularly stress the need for taking concentrated measures to streamline the procedure for undertaking programme under the Rural Works in the States of Gujarat, Kerala, Jammu & Kashmir, where work

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		hardly in any block was commenced in the Third Series till September, 1963.
9	22	The Committee appreciate the difficulties pointed out in the operation of the existing pattern of 50% loan in the financial assistance scheme and would suggest that the whole matter may be examined by the Working Group suggested in para 7. The Working Group may co-opt for this purpose a few representatives of State Governments so that the practical difficulties which are being encountered can be gone into and a workable solution evolved. The Committee also think that the condition of 50% loan would make the scheme available only to the richer areas and not to the poorer areas where the problem of unemployment is like to be more acute. The Committee feel that this scheme should not be treated as on par with other schemes in relation to financial assistance as this scheme is intended to provide employment in rural areas of acute unemployment.
10	23	The Committee suggest that the Working Group recommended to be set up in para 7 may also go into the question of terms and conditions for giving loans to individual beneficiaries under Rural Works Programme.
11	24	The Committee would like the Planning Commission to ensure that not only the funds are allotted to the State Governments in time but that they reach the executing agency without avoidable delay so that implementation of the schemes does not suffer.
12	27	The Committee cannot help concluding that one of the principal reasons for variations in allocation of funds from Rs. 12,000 to Rs. 2 lakhs per block in the Third Series is the capacity of the State Governments to utilise the allotted money for schemes in the blocks. The Committee would suggest that Planning Commission, on their part, should make it clear to all State Governments that it is their intention to allot funds subject to the normal limit of of Rs. 50.000 per scheme and Rs. 2,00.000 per block so that all States can take full advantage of the ceiling limits laid down.

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13	28	The Committee would stress that the expenditure by various States should be regulated in such a manner that areas having high incidence of unemployment and which are backward derive maximum benefit under the Rural Works Programme.
14	30	The Committee consider that wide variation in the ratio of generation of employment to expenditure incurred in various States (from 23 per cent in the case of Punjab to 78 per cent in the case of Andhra Pradesh) calls for detailed study. It also needs to be examined whether the slow rate of progress in works, even for areas reported to be having large number of unemployed workers has something to do with the incompatibility of works offered under the Rural Works Programme with the job preference of the available workers. Another aspect which needs further investigation is co-existance of high degree of unemployment and under-employment with high wage rates. The Committee would suggest that in the light of the study, Government may consider the advisability of laying down a certain minimum percentage of employment generation to expenditure incurred as a pre-requisite condition for sanctioning schemes under the Rural Works Programme.
15	32	Now that authentic information about slack agricultural seasons is available, it should not be difficult for Government to regulate the agricultural schemes so that the work is concentrated in the slack agricultural seasons. The Committee would stress that no fresh work under Rural Works Programme (except village industries) should be started outside the slack agricultural seasons.
16	33	The Committee would suggest that as it is imperative in national interest to provide productive employment to labour in border districts (on the eastern, western and northern borders), as many blocks as possible should be selected in these districts for implementation of schemes under Rural Works Programme.

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17	36	The Committee would suggest that in the light of experience gained, the Planning Commission may evolve a model set for the headquarters, district and block levels for execution of Rural Works Programme so that it can serve as a guide to the State Governments.
18	37	The Committee would suggest that as admittedly there is shortage of personnel for undertaking the work of soil conservation, which has assumed urgency because of the need to 'grow more food', the requirements in this behalf may be comprehensively reviewed by the Planning Commission in consultation with the Ministry of Food and Agriculture and the State Governments so that co-ordinated measures may be taken to overcome not only the existing shortage but also to meet future requirements.
19	40	The Committee gather that the labour co-operatives are still in their infancy and it will take some time before their initial difficulties are sorted out. The importance of continuous supply of work is the main problem for the formation and proper working of labour co-operatives. Still the committee feel that with a definite plan it may not be difficult to ensure regular supply of work, if there is provision for adequate technical and financial assistance and orientation of the staff of the departments in charge of construction works for accepting labour co-operatives as necessary and useful construction agencies. The Committee would urge Government to afford all encouragement to the formation of co-operatives to undertake execution of such schemes of Rural Works Programme which are not being executed through Departmental or Panchayat agencies.
20	41	The Committee would suggest that the possibility of entrusting as an experimental measure the execution of Rural Works Programme schemes to voluntary agencies or in collaboration with them may be examined.
21	42	The Committee would stress that as the purpose of the Rural Works Programme is to generate maximum employment for local unemployed and under-employed labour, Government should ensure that contractors and other intermediaries are not used for execution of schemes.

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22	44	The Committee hope that the State Governments would soon set up their own evaluation organisations which would *inter alia* undertake systematic and periodical assessment of the working of the Rural Works Programme so that in the light thereof remedial measures may be initiated without avoidable delay.
23	45	As it is an accepted fact that piece-rate system of wages ensures better output and reduces the need for supervisory staff, every effort should be made to extend it to as many schemes under Rural Works Programme as possible in all he States.
24	46	The Committee consider that with the recent strengthening of the staff at the block level and the State Headquarters, there should be no insuperable difficulty in maintaining the information on the lines indicated by the Planning Commission.
25	47	The Committee consider that as progress reports provide an insight into the working of the scheme, it is imperative that the quarterly progress reports are submitted to the Planning Commission within two months of the closure of the quarter.

APPENDIX VIII

Analysis of Recommendations in the Report.

Classifiation of recommendations :

A. Recommendations for improving organisation and working :

S. Nos. 1, 4, 5, 6, 7, 8, 9, 10, 11, 13, 14, 15, 17, 18, 19, 20, 21, 22, 24 and 25.

B. Recommendations for effecting economy

S. Nos. 2, 3 and 23.

C. Miscellaneous

S. Nos. 12 and 16.

II. Analysis of more important recommendations directed towards economy :

S. No.	S. No. as per summary of recommendations (Appendix VII)	Particulars
1	2	Appointment of a Working Group to go into the question of removing the difficulties for coordinating all the development programmes and for better and more effective implementation of the Rural Works Programme.
2	3	Proper coordination and linking of all the different schemes so that rural areas may get the overall benefit of all these schemes and may not suffer from any conflicting forces.
3	23	Extension of piece-rate system of wages to as many schemes under Rural Works Programme as possible in all the States as this system ensures better output and reduces the need for supervisory staff.

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